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# Southeast Asia Report

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5 MARCH 1987

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# HAYDEN CONTROLS HAWKE OVER QUEENSLAND ALP FIGHT

Sydney THE BULLETIN in English 6 Jan 87 p 22

[Article by Denis Reinhardt]

[Text] FOREIGN Minister Bill Hayden has confronted Prime Minister Bob Hawke demanding to know his role in a Queensland ALP faction fight which saw one of Hayden's close supporters, MHR Len Keogh, lose his party endorsement for the next federal election.

The confrontation took place a day after Hayden's small Centre Left faction, in alliance with Queensland's formerly dominant Labor Unity or Old Guard faction, failed to win a series of important preselection votes.

In what ALP sources claim was a testy exchange Hayden is understood to have told Hawke that the new controlling alliance of the Australian Workers Union and the Socialist Left would lead to a landslide loss of seven of the nine federal seats Labor holds in Queensland.

Such a reverse would almost certainly see Labor lose office federally. In Queensland it would rank with the 1975 defeat of the Whitlam government, which saw Hayden alone retain his seat.

Hawke is alleged to have spiritedly denied Hayden's assertion of "they are telling us you are in it".

"Who says it?", Hawke is alleged to have retorted.

Hawke, in the presence of Hayden then made a series of calls to Queensland ALP president Ian McLean, state secretary Peter Beattie and AWU secretary Errol Hodder seeking the source of the assertion.

Hawke's direct involvement in a state factional brawl is a measure of the

magnitude of the falling out within the Queensland ALP.

As *The Bulletin* reported recently, Hayden's Centre Left faction and the Trades Hall dominated Old Guard — once sworn factional enemies — concluded an alliance. Among other goals, argued Hayden's supporters, it would ensure Beattie's election to state parliament and a gradual introduction of fresh talent into the sleepy state ALP caucus.

This revelation galvanised the AWU-backed right and the left — in turn Hawke's friends and opponents within the ALP — into their own alliance, which carried the numbers narrowly on Labor's selection council. Every number counted in a situation which led to a remarkable federal ALP executive trade off over the future of dissident Queensland Senator George Georges, a ready detractor of the Hawke government's performance.

Georges, already under suspension from caucus since April 15 for voting against legislation outlawing the BLF, was about to be expelled by the federal

body for his outburst on the floor of parliament against the Australia card. Sources close to Georges say a deal was agreed whereby Georges was allowed to resign from the ALP, effective on the Monday after preselections. Georges then appointed fellow Socialist Left senator, Margaret Reynolds as his

proxy. It was a crucial proxy. The vote to elect Socialist Left candidate Bryant Burns to the top of the senate ticket was decided 46:44. One vote, it was later alleged, had even been delivered under compulsion.

The quid pro quo for right wing support of Bryant Burns, say Hayden supporters, was delivering the nomination for Keogh's seat of Bowman to solicitor, Con Sciacca. Sciacca, they claim, stood aside at a previous preselection, at Hawke's request, to avoid factional disunity influencing the electorate.

Hawke's men, they argue were merely honoring a promise.

The turmoil created by the upset rise to power of the new right-left alliance also hit the state Labor caucus within days, with leadership hopeful, Wayne Goss, resigning from the three-member AWU faction in the 30-member caucus. Goss is believed to have told AWU secretary Errol Hodder that he believed a

deal to look after an AWU mate was being clothed as the much needed overhaul of the Queensland ALP. Nevertheless both sides agree that Beattie should be found a state seat.

One AWU source indicated that the new alliance may seek the staged retirements of as many as 12 existing state Labor members — presumably from the opposing factions.

"It's really cloud cuckoo stuff," argued one insider to *The Bulletin*, adding prophetically, "The old guard is not going to give up seats to see candidates from the AWU put up. All it guarantees is 12 months of turmoil".

But in the bloodyminded atmosphere of Queensland ALP factionalism, turmoil may come sooner than later. One threat being held over the Prime Minister's head, unless he intervenes via the federal executive to restore Keogh's preselection, is that Keogh would resign from parliament, precipitating a by-election.

"It would be the Bass by-election all over again, just like the Whitlam days. And Joh would have a ball," claimed the source. □

/13104

CSO: 4200/333



# FRENCH FIRM OFFERED FULL EQUITY IN RARE METALS

Sydney THE BULLETIN in English 27 Jan 86 pp 68-69

[Article by John McILWRAITH]

[Text] AT A TIME when the French are as about as popular with the Australian government as escargot in a pie-and-sauce shop, we have offered them the chance to maintain a near-monopoly in exotic metals. A French company has been granted permission to invest up to \$150 million in two processing plants near Perth — and there will be no Australian equity.

Rhone-Poulenc, a chemical company which dominates the world market in the processing of a range of rare metals much used in high-tech applications, will use a by-product from alumina plants to produce gallium, and the state's strategic deposits of monazite to

turn out many more metals that sound as if they were invented for *Star Wars* — samarium, europium, gadolinium, terbium and yttrium.

The metals bring up to \$2 million a tonne, and are so valuable they are air-freighted around the world (a factor which overcomes Australia's usual disability in high transport costs, related to the value of commodities).

When the projects were announced there was no sign that the current rapid cooling of relations between France and Australia would endanger them. It is true that trade has not so far been under threat, and that this is a welcome case in which the French probably need us more than we need them.

Up to 18 months ago the West Australian government was hoping that a Japanese company, Asahi Chemical In-

dustry Co Ltd, would launch a monazite processing plant, using a new technique, a move which would have obviously endangered French dominance of the market. And at the time the state government made some caustic remarks about the French position in the esoteric metals industry.

But Allied Eneabba Ltd, the local producer interested in a joint venture with the Japanese, was taken over by Renison Goldfields, and the plan collapsed. The majority shareholder of Allied Eneabba, the American chemical giant Du Pont, had never been enthusiastic about the monazite plant. Renison demonstrated the same coolness.

Enter the French, and all is forgiven.

From the West Australian point of view (and indeed the national view) the advantages are hard to ignore: a major step forward in a thrust towards more valued-added processing of our minerals — in the case of some of these exotic metals, by a factor in the hundreds. The gallium will be extracted from the liquor from a circuit long in use at the Pinjarra alumina refinery operated by Alcoa of Australia. Later the same process will be applied to the other three refineries in the state.

The gallium occurs in tiny concentrations in this liquor, used to extract alumina from bauxite. But it is very valuable, and in growing demand.

Monazite, rare in itself, occurs in relatively large volumes in the state's mineral sands industry, the world's biggest. Western Australia produces more than half the world's supply, but until now it has been processed overseas, mainly in Rhone-Poulenc plants. Fifteen of those incredibly rare metals are the result, with values that make them as valuable as gold or platinum.

There are many exotic applications, in the newly emerging ceramics industry, in special lenses, in extremely powerful magnets (which have made possible the miniaturisation of so many modern appliances).

Rhone-Poulenc has plants to produce rare earths in France and the US,

and is one of the biggest chemical groups in the world, with operations in 140 countries and 80,000 employees.

For the West Australian government the plants are part of a resources boom this year which will comfortably take up any slack after the America's Cup. Projects worth \$1000 million are expected to be launched, and the government is projecting growth in the next year or two of four to five percent, double the Australian average.

Some of these ventures — notably a project to produce liquefied petroleum gas and ammonia-urea fertilisers — will be energy-intensive and go a long way towards removing the state's embarrassing surplus of natural gas from the North-West Shelf. □

/13104

CSO: 4200/333

## AUSTRALIA

### BRIEFS

CHEMICAL EXPORT CONTROLS--The Federal Government has extended measures to prevent chemicals from Australia being used in the manufacture of chemical weapons. The foreign minister, Mr Hayden, said an additional 22 chemicals, which could be used in chemical weapons manufacture, had now been placed under export controls. He said Australia was playing a leading role in reducing the risk of chemical warfare and the latest measure reflected the government's abhorrence of the use of chemical weapons. Mr Hayden said he hoped the Australian export controls would serve as a model for chemical exporting nations. [Text] [Melbourne Overseas Service in English 0430 GMT 21 Jan 87] /9604

CSO: 5200/4303

## DISSENSION IN NATIONAL FEDERATION PARTY EXAMINED

Suva FIJI SUN in English 25 Jan 87 p 6

[Article by Nemani Delaibatiki]

[Text]

SIDDIQ KOYA has finally lifted the lid. And National Federation Party politics has reared its ugly head again.

Dr Timoci Bavadra, the president of the Fiji Labour Party, will probably be cursing himself today for agreeing to a marriage of convenience between his party and the National Federation Party and Western United Front.

Labour may have been better standing on its own. It cannot defeat the Alliance alone but it would have maintained its credibility.

The coalition is the ideal thing if the opposition parties want to topple the Government. But it needs total solidarity.

Mr Koya has exposed that the coalition is fragile.

The unity about which National Federation Party officials boasted at last year's Ba meeting was indeed superficial.

It appears that the National Federation Party has split once more on the Dove and Flower lines. But this is not exactly so. Some of the strong pro-Koya supporters, such as Noor Dean and Senator Harnam Singh Golian, are still with the coalition.

Even Dr Balwant Singh Rakka, the party president, once known as a Koya man, is a staunch coalition supporter.

Mr Koya is being propped up by local supporters Vijaya Parmanandam, Subramani Basawaiya and Shardha Nand. The three were dropped from the coalition lineup of candidates.

By giving his blessing to the rebel Nausori branch meeting Mr Koya has indicated that he supports the meeting.

And he has made it clear that he wants the coalition list of candidates revised.

But Dr Bavadra will not accept it.

If he bows to the demands Labour will lose its credibility forever.

Mr Koya was one of three people Labour blacklisted.

The other two were Shardha Nand and Mr Basawaiya.

The coalition had deliberately not named the candidates for the Lautoka Indian Communal seat to see which way would Mr Koya and his followers move.

Now that Mr Koya has come out into the open the coalition is expected to name its candidate.

Jai Ram Reddy turned down pressures to contest the seat on a coalition ticket because he knew that there would be a serious backlash if he accepted the seat, which has been a focus for bitter fights within the National Federation Party.

Mr Koya and Mr Reddy contested the seat in the September general election of 1977 after the National Federation Party split as Flower and Dove factions.

It appears sparks are still flying even after the peace accord in the 1982 general election.

And at the rate it is going the National Federation Party will gradually disintegrate if all the existing officials are not removed and give way to new faces.

The majority of Indians will vote National Federation Party if they are given proper guidance by dynamic leaders.

Labour will have to review its future after April's general election. If the present scenario remains up to poll day then the coalition has no hope of winning.

The Alliance may romp through with a bigger majority that it has predicted.

**Mr Koya's statement cannot be taken lightly.**

**It has been known that politicians in the past have descended to the gutters to gain political points.**

**It is likely that the politics of race and religion will be exploited.**

**All of this will spell doom for the National Federation Party and bring disrepute to the Labour Party.**

**/13104**

**CSO: 4200/330**

## SUN VIEWS NATIONAL FEDERATION PARTY PROBLEMS

Suva FIJI SUN in English 25 Jan 87 p 6

[Editorial]

[Text]

THE Alliance will be smiling today.

Yesterday's rebel National Federation Party "convention" at Nausori is a body blow to the Coalition and its hopes of ending 16 years of Alliance rule.

Ratu Sir Kamisese Mara could not have wished for a better scenario as he leads the Alliance into the April general election.

On one side is the official National Federation Party linked with Labour in a coalition which is the opposition parties' only hope of ending Alliance rule.

On the other is the rebel National Federation Party group, backed by dissident Members of Parliament not selected for the Coalition team of candidates.

What it adds up to is a split opposition vote.

Which sounds like a repeat of 1977.

Remember 1977? Then the National Federation Party won power when Sakeasi Butadroka's Fijian Nationalists split the Fijian vote — but had it taken away because they did not act decisively.

The National Federation Party split into squabbling groups of ambitious people and let the Alliance sweep to a crushing victory in the second 1977 poll.

The once-proud and powerful party has never recovered from the bitter divisions and ambitions of that era.

These days the National Federation Party often appears its own worst enemy.

If Ratu Sir Kamisese is smiling today the events at Nausori could have something to do with it.

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CSO: 4200/330

COMMENTARY ON SUHARTO VISIT TO MALAYSIA, SINGAPORE

BK061415 Jakarta Domestic Service in Indonesian 1200 GMT 6 Feb 87

[station commentary]

[Text] Various matters pertaining to the Southeast Asian regional situation were given serious attention in talks between President Suharto and Malaysian Prime Minister Mahathir Mohamed in Jahor on Thursday. But, it appears from a briefing given by Minister/State Secretary Sudharmono on the talks that they also paid great attention to bilateral relations. According to Minister Sudharmono, the issues on bilateral cooperation discussed covered among other things the need to foster cooperation in the form of joint ventures between the governments and the private sectors as well as between the private sectors in the two countries in fields such as the automotive industry. They also discussed cooperation in the marketing of commodities produced by the two countries such as tin and palm oil.

With respect to efforts to strengthen Indonesian-Malaysian relations and cooperation in the trade and economic fields in general, we must note that President Suharto is continuing his visit to Singapore, which is a trade and economic center in this region. We also hope for cooperation with Singapore in the same way as we do with Malaysia. Cooperation between Indonesia and Malaysia as well as between Indonesia and Singapore is very important as the three countries are members of ASEAN along with Thailand, the Philippines, and Brunei Darussalam. Closer bilateral relations and cooperation between the ASEAN member countries will serve as a strong foundation for cooperation within the association. Thus, the ASEAN member countries should make bilateral efforts to strengthen cooperation, particularly in the trade and economic fields. These efforts will undoubtedly consolidate economic and trade stability which will in turn enhance political stability in the region. As we are aware of the effects of the current world economic recession on the ASEAN member countries, including even Singapore, we certainly agree that President Suharto's visit to Malaysia and Singapore will have an important meaning for the continuity of economic development in the region.

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CSO: 4213/47

SUHARTO SPEAKS ON NATIONAL PRESS DAY

BK090635 Jakarta Domestic Service in Indonesian 0322 GMT 9 Feb 87

[National Press Day Speech by President S-harto to Indonesian newspaper editors and journalists at Jakarta's State Palace--live]

[Text] Peace be upon you! Fellow countrymen and honorable delegates! On the occasion of National Press Day today, I would like to congratulate all our journalists in the country. We all hope that the national press will further its role in the coming stages of our national development, which are very important and will determine our nation's future.

When I presented our 1987-88 draft budget to the House of Representatives early last month, I called on all Indonesian people to adopt a realistic attitude and to strengthen our loyalty to the Pancasila during this time of trials and tribulations. This is the best way of coping with such heavy challenges. We cannot avoid them, and they will not disappear unless we overcome them. A realistic attitude will lead us to an assessment of our own strengths and weaknesses. We must maintain and improve our strength, while trying to remove our weaknesses. Equipped with such a realistic attitude, we can have high hopes for the future. Such hopes, based on a realistic attitude, are very important because without hope, we will lose sight of the future. The future we are yearning for is a Pancasila society, namely one which provides progress, welfare, and justice to all Indonesian people. Therefore, we must strengthen and enhance our loyalty to Pancasila. This is a very important because during this time of trials and tribulations, we should not follow a path which deviates from our original objective, namely, working toward the realization of a Pancasila society.

We truly need our loyalty to Pancasila during this difficult time because all elements in the Pancasila will give us strength and a proper direction to allow us to escape unscathed from this time of trials and tribulations.

Therefore, I hope our national press will continue to be the torchbearers in our society to make our people remain realistic, optimistic, and loyal to Pancasila.



Honorable audience! The role of the media in our society is very important in this modern age. Nobody can deny the fact that the media can shape public opinion. What is and is not reported by the media, directly or indirectly, affects the attitude of society toward certain issues. The way the media reports or comments on a certain issue will influence public opinion. We have sufficient past experiences and evidence on the important role of the media. All this can be seen as an honor and a unique feature of the media. For this reason, there must be a parallel high sense of responsibility.

The media has such an important role in our country that it was mentioned in the Broad Outline of State Policy [GBHN]. What people want through the GBHN is a healthy, independent, and responsible media, which can carry out its functions well, namely, disseminating objective information, performing constructive social control, channeling the people's aspirations, and facilitating communications and public participation. Our national consensus on the role and position of the media as stipulated in the GBHN is clearly defined. What is important now is how to translate it into reality.

As in all aspects of development in our country, the national press is still at an unfinished stage. Like all other aspects of development in the country, the national press has also made considerable progress even though it is still facing problems which need to be solved. However, this is natural because the national press remains part of the nation.

Just as the nation is carrying out national development, so the national press is growing into a Pancasila press. I highly appreciate the fact that the national press has itself formulated its concepts on what the Pancasila press will be. The next task is to translate into reality what has been formulated. This involves in particular the quality of our national press, which is inseparable from the ethical and moral quality of the press itself. We must pay attention to its quality because for the past few years our national press has made great progress in terms of quantity and variety. As in all aspects of our development programs, however, the quality of the press must receive our serious attention. The content and presentation of news in some of our newspapers and magazines is still a cause for concern as far as ethical and moral aspects are concerned. Some of them still present sensational news and photographs which appeal to the baser human instincts.

The elements of commercialism in these papers are pushing aside idealism. Faced with this unhealthy fact, the national press must first purify itself from these undesirable elements. At the same time, we also rejoice at seeing a better quality of news reportage and articles in the pages of our media. We believe that some day our national press will indeed become a healthy, independent, and responsible press.

If we look back at the history of our national press, we can see that it has a tradition of national struggle. The national press was born and grew up as part of the movement for national struggle long before the state of Indonesia

was established. I hope the national press will continue this lofty tradition as a source of inspiration and motivation for its further growth in the current era of development, namely national development as a way to put Pancasila into practice. Such are my hopes for the national press. May the almighty God bless all of us. Thank you. May peace be upon you.

/9738

CSO: 4213/47

## BRIEFS

**PUBLIC TRANSPORT RATES INCREASED**--Jakarta, 19 Jan (ANTARA)--The government has decided to increase the passenger fares of land, sea and air transports by 15 and 30 percent while the fares for goods or cargo transportation will remain unchanged. The steps are taken by the government aimed at adjusting the rates of the transport tariffs which were set in 1984 to the present price situation after the rupiah devaluation next to the gradual reduction of the government's subsidy. The Department of Communications announced here Monday that the increase of the land transport fares will be effective as from 1 February, the sea transport on 8 February and the air transport on 25 January. [Text] [Jakarta ANTARA NEWS BULLETIN in English 20 Jan 87 p A1] /9274

**NEW COLD ROLLING MILL**--Jakarta, 21 Jan (ANTARA)--President Soeharto is scheduled to dedicate a cold rolling steel mill at the Cilegon industrial estate, west of here, next month. The mill owned by PT. Cold Rolling Mill Indonesia Utama has been built at a cost of 803.13 million dollars and it has an installed production capacity of 850,000 tonnes per year, said Minister of Industry Hartarto after meeting President Soeharto at Bina Graha presidential office Wednesday. It will give jobs to 1,238 Indonesian workers, he said. Constructed since 1983, the mill is to produce raw materials for zinc plate, pipe and galvanization, tin plate and other industrial products. Indonesia until today is still importing cold rolling steel through the state-owned Pt. Krakatau Steel. With the operation of the plant, the import is expected to end this year with the hope of saving some 82 million dollars. The domestic demand for cold rolling steel is estimated to reach 600,000 tonnes per year, so that the mill is expected to be able to export the rest of its output (250,000 tons). Shareholders of the company are PT Krakatau Steel, 40 percent, PT Kaoilin Indah Utama, 40 percent, and Sistiacier SA, 20 percent. [Text] [Jakarta ANTARA NEWS BULLETIN in English 21 Jan 87 p A6] /9274

**AUSTRALIA'S MINING INVESTMENT TO DOUBLE**--Jakarta, 22 Jan (ANTARA)--Australia could double its investments in Indonesia over the next five years through new ventures in mining, Australian ambassador to Indonesia Bill Morrison predicted Wednesday. There had been a major lift in Australian investment in the mining sector, particularly in gold and coal, he said to members of the Australian Businessmen's Group in Indonesia--Austcham during a luncheon meeting. "Australian firms are involved in nearly all of the 43 Contracts of Work signed to date for gold exploration in Indonesia," the ambassador disclosed. Trade between Australia and Indonesia would be boosted in certain areas by

action already taken with the May 6 and October 25 'Packages' and action foreshadowed, he went on to say. He also said there had already been changes and improvements on both sides to support this optimism. There are now 118 Australian firms with affiliations in Indonesia including 20 substantial manufacturing concerns. [Text] [Jakarta ANTARA NEWS BULLETIN in English 22 Jan 87 p A3] /9274

RESCHEDULING OF REGIONAL PROJECTS--Jakarta, 22 Jan (ANTARA)--Minister for Development Planning J. B. Sumarlin and Finance Minister Radius Prawiro have given a directive to governors, regents and mayors attending the governors' working meeting here that they should reschedule fund-shortages projects. Home Ministry spokesman Feisal Tamin told newsmen here Wednesday that the governors, mayors and regents taking part at the meeting were briefed by Minister for Development Planning J. B. Sumarlin, Finance Minister Radius Prawiro, Trade Minister Rachmat Saleh, Minister of Industry Hartarto and Home Minister Soepardjo Rustam. The ministers, according to Feisal Tamin, had briefed the regional officials to give priority to the claim of debt of 1985/1986 fiscal year which had already been handed over from contractors. While the projects financed by the 1986/1987 state budget which were already contracted or under construction but in shortage of funds, so they should be rescheduled for the 1987/1988 fiscal year. Sumarlin hoped with the cut of development funds the regional officials could give high priority to development projects which were badly needed. [Text] [Jakarta ANTARA NEWS BULLETIN in English 22 Jan 87 p A1] /9274

POLITICAL, SECURITY SITUATION UNDER CONTROL--Jakarta, 29 Jan (ANTARA)--Information Minister Harmoko has seen the political and security condition on eve of the forthcoming general elections as stable and under control. Speaking to newsmen after attending a political and security coordinating meeting here Wednesday, Harmoko said the government regarded the political awareness of the people in exercising their rights and obligation as increasing. The two-hour coordinating meeting presided over by Coordinating Minister for Political and Security Affairs Surono had taken up the Pancasila-oriented press system as well as the public security and order. Harmoko regarded the contestants of next elections scheduled on April as making a good and positive preparations in accordance with the existing rules. "Such an atmosphere would help facilitate the success of the democratic feast in line with the Pancasila code of conducts," he said. The meeting attended by a number of ministers dealing with politics and security had also considered the public security and order during 1986 as under control. According to official data, offences in the public security and order has been steadily decreasing from 1982 through 1986. [Text] [Jakarta ANTARA NEWS BULLETIN in English 29 Jan 87 pp A5, A6] /9274

JAPAN'S OIL IMPORTS UP--Tokyo, 29 Jan (ANTARA)--Japan's crude oil imports from Indonesia in 1986, according to temporary data from the Ministry of Foreign trade and industry, stood at 22,727,000 kilolitres, which was an increase of 0.6 percent compared with the previous year. Indonesia is the third biggest crude oil supplier after the United Arab Emirates with 42,620,000 kilolitres and Saudi Arabia with 25,740,000 kilolitres. In 1986 Japan's crude oil imports from Indonesia stood at an average of 395,000 barrels per day, similar to the 1985 figures, but the share at the Japanese oil market reached 12.0 percent,

an increase from the 11.4 percent in 1985. Japan's overall crude oil imports in 1986 reached 194.5 million kilolitres, a decline of 1.9 percent and was the lowest since 1970. [Text] [Jakarta ANTARA NEWS BULLETIN in English 30 Jan 87 pp A3, A4] /9274

**PERTAMINA OFFSHORE DRILLING IN SUMATRA**--Medan, 30 Jan (ANTARA)--Pertamina, the state oil company, in a joint venture with Japex (Japan Petroleum Exploration Co Ltd) has started this week offshore oil drilling at Sungai Iyu, Bok Gebang, East Aceh. The drilling operations are launched by virtue of a production sharing contract between the two companies covering Kuala Langsa, Aceh, part of the land in Tanjung Pura to the east of Pakam and Tebing Tinggi. A Pertamina spokesman disclosed here Wednesday that this is the first instance in such a joint venture that the Indonesian oil company is the operator. For this purpose, Pertamina delegated the operator's tasks to a joint operation body that had been formed on the basis of a Pertamina-Japex agreement. The oil well is planned to be 3,300 meters deep from the seabed, and the job is estimated to take 90 days. Pertamina's exploration and production director Suyitno Patmosukismo said in the ceremony marking the first drilling operation that succeeds in the discovery of petroleum in the area would considerably contribute to the national development. The occasion was also attended by local government authorities, Pertamina officials, contractors and engineers. [Text] [Jakarta ANTARA NEWS BULLETIN in English 30 Jan 87 pp A3, A4] /9274

**JIHAD COMMANDO MEMBERS CONVICTED**--Two members of the Jihad Commando Movement, namely Mohamed Socheh, 25, and Imam Ismiarto, 26, were sentenced to 5 years in prison minus detention time by the High Court in Malang, East Java, on 26 January. The two men were found guilty of sedition against Pancasila state ideology and the 1945 Constitution. [Summary] [Jakarta KOMPAS in Indonesian 28 Jan 87 p 3 BK] /9738

**TRANSMIGRATION FROM WEST JAVA**--In a press release, the West Java Transmigration Department office announced that in January, it had resettled a total of 8,140 transmigrant families consisting of 22,974 persons in various transmigration locations outside Java. The office also conducted seminars on the benefit of transmigration at six districts in West Java Province. [Summary] [Jakarta Domestic Service in Indonesian 0600 GMT 5 Feb 87 BK] /9738

CSO: 4213/47

ENVOY TO THAILAND COMMENTS ON BILATERALS, REFUGEES

Bangkok SIAM RAT in Thai 27 Nov 86 p 2

[Interview with Khamphan Simmalawong, the Lao ambassador to Thailand by Siam Rat on 26 Nov 86 at the Lao Embassy]

[Text] This interview took place on 26 November 1986 at the embassy of the LPDR on Sathra Street before the talks in Vientiane, which will take place from 27 to 29 November. When the Honorable Khamphan Simmalawong returned from Vientiane in order to make preparations for the meeting, he gave this interview to SIAM RAT, and the details follow here.

[Question] What topics is Laos prepared to talk about?

[Answer] The Lao Government intends and is happy to receive the Thai representatives led by Mr Arun Phanuphong, an advisor to the Office of the Prime Minister. These technical preparations are important and will lead to government level talks later. But these depend on the joint preparations.

The first point is that if both sides are sincere in trying to build understanding and overcome obstacles and all the problems which block progress, then we think that progress will be made to solve the problems. In reality as well as historically, as you may know, our cultures, customs, languages, and religions are similar. This helps in creating a better understanding in other matters, which is something we will build together.

The second point concerns what sort of an agenda the ministry has permitted. Should we have prior conditions or not? If we adopt prior conditions it will show that we still do not trust each other even though we know that we are closely related. The Lao side feels that we should not adopt conditions. Otherwise these conditions could be brought up and referred to and then the Thai side and the Lao side could raise the question of sincerity. In any case, if his problem cannot be solved today, another meeting will be held later. We do not think this is serious. Let us talk about something else. It would be better to argue another time.

Our method of solving our problems is to begin with the small matters and work up to the big ones. Any problems which can be solved beforehand should be handled beforehand. Sometimes the technical teams can solve problems which

are not basic. Suppose our work is finished, but there are procedural matters which are still not completed; we could handle them. If there are important, basic problems which cannot be solved, we can wait and consult again. We should try to pave the way and smooth things out. At the first meeting we might not be able to solve things completely, but we are confident that with many meetings things will improve. If we proceed one step at a time, gradually there will be solutions which are good for both sides. The problems which remain difficult can be solved later.

[Question] Will the Lao side bring up the matter of the three Lao villages or the N.P.Kh. boat?

[Answer] Does SIAM RAT think we should bring these matters up? (laughter) I think we will probably bring up every matter. There might be similar problems which we would like to bring up as well. Any problem which we are likely to be able to solve we will bring up beforehand.

[Question] Will the Lao side ask that the review of strategic goods be abolished?

[Answer] As we have said already, the Lao side did not announce this review. The Thai side did. The Lao side does not want to get involved. It would be inappropriate to give our opinion. It is up to the Thai side to decide, but a good way to handle this would be to ask for an opinion about what is appropriate.

[Question] The Thai side has scheduled four topics: opening border crossing areas, abolishing strategic goods, selling Lao electricity to Thailand, and setting a date for returning Lao aircraft which have come down in Thailand.

[Answer] We have not specified any problems. We will discuss every problem which the two sides raise. If we talk about them, we will smooth the way for the former joint communique to become a reality. If we do this, it will allow the documents which have already been jointly signed to go into effect. At this time if there is something we should consider, we must talk about it.

[Question] Could you summarize the causes of the problems which Thailand and Laos have encountered?

[Answer] About 10 years ago the Thai-Lao border was not closed anywhere. But Thailand requested that some locations on the border be closed entirely. And it announced the strategic goods. Correcting this is the Thai matter. We do not want to get involved in Thai affairs. It is up to Thailand to consider whether this should be abolished. In any case they should do something appropriate.

I would like to stress the two Thai-Lao communiqués from the time of Mr Kriangsak Chamanan. We paved the way then for a broader friendship. What we have to do to make these documents a reality is to wait and talk. One communique was signed in Vientiane in January 1979. Later Mr Kaysone came here in April 1979. Both documents had the same gist: they provided both

countries with a safe, peaceful border while precluding the use of force and intervention in the affairs of the other. If something came up, assistance could be requested from the other equally. This would be advantageous for both sides. Faced with the lessons we have experienced, what should we do so that these do not happen again?

The Mekong River is the border. The people of both sides should use the river and the fish together. The people of both sides are like brothers. They should not fight. The upper levels must come to an agreement, and at the lower levels, the people must understand each other also. The Lao people have chosen their own path. There are some areas where cooperation is possible including economic matters, society, sport, transportation, and trade.

While Russia and the United States talk about trade, we know that these two countries are enemies. We see that the differences of the two systems are not an obstacle to peaceful cooperation. This is the best proposition for peace. What can we do to cooperate peacefully without war? We small countries must play a role in bringing peace also; we might be able to improve the cooperation and discussions between the differing political systems.

[Question] One reason that small countries like Thailand and Lao must hold talks is that the big powers have begun talks. Doesn't this force the small countries to hold talks also?

[Answer] As I understand, Mr. Gorbachev initiated the proposal for the Asia-Pacific region to cooperate peacefully and end war. To be free of conflict would be good. Laos is a small country. How can we bring peace and maintain the peace? We can have exchanges as in the past. Even though our systems are different, each country can build relations, cooperate, and gain the benefits.

[Question] Laos is like a divided country in the middle of other countries. Should a country in the middle like this be thought of as free, or is it difficult for it to do anything on its own?

[Answer] Certainly. Laos is a forward area for socialism. Thailand is a forward area for freedom. What should we do so that the people of the two countries cooperate? There is nothing to fight about. If something comes up, discuss it; do not use force. This will be a good example for many countries in this area. And what is important, it will make Southeast Asia an area of peace. It will also bring stability and cooperation.

[Question] Does this mean that Laos has become the forefront in building peace in this area?

[Answer] We must build peace together.

[Question] Has there been an assessment of the Lao accomplishments in building peace in this area? What have been the accomplishments?



[Answer] This depends on ASEAN also. There must be an organization of many countries. If Indochina tries to build peace alone, not much will be accomplished. We must depend on other countries and regions to help build peace. Or to put it another way, all nations must participate in building peace.

[Question] What do you think about small countries seeking peace and calling for building peace while the great powers are not able to build real peace?

[Answer] I think that if they are resolute in their goal of building peace, the small countries will be able to cooperate in building peace. If it is something worthwhile, we must cooperate. If we go our separate ways, we will not accomplish it. I believe every country must do its duty in building peace together. Achieving peace is apt to involve difficulties and we must be patient. But if we are determined, there probably will not be problems we cannot overcome.

[Question] What do you think about China supporting Lao's goal of being friends with every country.

[Answer] I think every country should be glad about a Lao reconciliation with Thailand because Thailand and Laos are really brothers. Why should our relations be further reviewed?

[Question] There is something we wonder about. Laos and Vietnam used to be enemies especially at the level of the people. But at high levels they are good friends. Why has there been this conflict?

[Answer] We do not assess the situation like that. You must understand that Vietnam, Laos, Kampuchea, and the Soviet Union are all socialist countries just as the ASEAN countries are similar. (laughter) We are in the same family. We have similar systems. But now there is a breaking down of this solidarity. Laos and Vietnam are joined in the solidarity of the three countries of Indochina because they went through the struggle in the jungle together. They struggled against the same colonialists; they had the same enemies during the same period: France and then Japan and the American imperialists.

At the end the United States dropped 3 million tons of explosives on Laos. If our people were not joined in solidarity, we would have a problem like houses with adjoining roofs; if there should be a fire, it would spread and burn all the houses. We joined hands to resist the same enemies in every sphere including the military, political, economic, and social. When we were victorious, we supported each other to become independent. This was not assistance being used to oppress or take control. We would not accept that. Our goal was to destroy colonialism together.

Your group has seen Laos and understands about Vietnam and Laos. We are independent and free. We travel the same socialist path.

[Question] Laos has had to struggle a great deal. Do you think that it will take much longer to end this period of struggle?

[Answer] Now our country is completely liberated. We have had the revolution and have democracy throughout the country. The revolution is complete, and we have the economic independence to build a new society. We must struggle so that the economy and the living standard of the people improve. As regards foreign intervention, whoever is friendly to us, we will be friendly to in response, and whoever is an enemy, we will respond as an enemy. This is natural.

[Question] What goals do you hope to attain in these talks?

[Answer] We will give another interview after the end of our meeting with the complete gist of the meeting for each side. The Thai group is just an advance team to clear the way. It will be up to the Lao side to raise a topic for discussion.

I think both sides will then bring things up for discussion. Both Thailand and Laos will make proposals. If something can be solved, we will solve it. If something is not ready, we will wait and solve it later. Will this be all right?

[Question] Will the arguments from both sides require humor at the bargaining table?

[Answer] The talks 2 years ago were conducted when conditions were different. The atmosphere then was different. Now both sides have cooled down. We will not go back to the way things were. What can we do so that the two sides can solve the problems which are backlogged? What can we do so that the brothers on the two banks can be brothers with territorial integrity who do not use force against each other? If something comes up, speak frankly. Be sincere and avoid intervention on either side. Wouldn't it be good to keep the border completely peaceful not just now but also in the future? If you turn over a new leaf, you will have a new history. Laos did not cut itself off, it was Thailand alone which cut itself off.

[Question] Is it difficult to speak with Thailand?

[Answer] What do you mean by difficult? If it were difficult, there would be no talks. (laughter) The Thai and Lao people mean well. They are both very patriotic and peace-loving. They do not like war or interference from outsiders, and it is the same with all injustice. The people of the two nations have the prerequisites of a good understanding, which will benefit the whole area.

[Question] Is there something you would like to say about the Thai Government?

[Answer] I do not want to say anything about it now. If I did now, they would say it was interference.

[Question] When Prime Minister Kriangsak had the policy of opening the country as much as possible, did that satisfy Laos? And what did other government say?

[Answer] The policy of Mr Kriangsak was appropriate for the two countries. It allowed them to understand each other. The doorways of the two houses were adjacent; his intentions received a favorable response. Thailand and Laos have the same roots, use the same river, speak the same language, have the same religion, and have similar dispositions and similar desire for peace.

[Question] What policy do you have for the Lao refugees? Do you think they will return to Laos?

[Answer] Does this enter into the talks already? (laughter) We must divide these people into three groups. The first group would include only 30 to 40 people who are guilty of crimes against the people; they let their nation be controlled by others. We would have to let a court of the people decide about these rich people. But they have all gone to foreign countries, some to America. They are the enemies of the people. The people do not want them to return.

The second group is "shallow." They believe the propaganda that Communists are demons. But in fact aren't they people also (he points to himself) (laughter) Is a Communist frightening? This group can return if it wants.

The third group consists of children and grandchildren. They do not know anything. Parents and relatives left, and they left with them. This group can return.

There are three procedures which must be followed when returning: (1) Suppose Thailand and Laos agree to cooperate. It would not be just one side which was consenting to the returns; there would not be any misunderstanding. Thailand would have a list, and Laos would have a list. (2) We would use the willingness of those who wish to return as a guideline. They must be those who are really willing. And they must not have any plans for underground operations. If one is not willing, then it would be better to wait until one really is. (3) There would have to be something else also. Laos still has many other problems after liberation which must be solved urgently in order to allow Lao people to return. We still cannot take back many people because we will have to prepare many places for everyone to earn a living. We will not let them be unemployed. It would not be good for them in beginning a new life in a new society.

8149/12951

CSO: 4207/82

THAI NEWSMAN NOTES VIENTIANE ATMOSPHERICS, SRV TROOPS

Bangkok NAE0 NA in Thai 7 Dec 86 p 2

[Article by Wuthiphong Lakkham: "A Left Bank Traveler Returns and Is Pleased With the People of Vientiane"]

[Text] 1. Vientiane is pleasant.

On returning to Vientiane this time I felt uncomfortable and strange...even though our team of reporters from Bangkok received a full welcome from the Foreign Ministry of Laos.

I did not have a chance to meet with Mrs Suai Dutsadibanthit from the University of Paris because she closed her "Cafe du Vianthian" shop last year.

I did not have the opportunity to see the revolutionary pedicab driver and the sidewalk economist who introduced me to the theories of socialist economics and dialectical materialism 2 years ago.... The two great teachers did not appear on Lanchang Street again, and I did not know where to find them.

I did not meet the musician with the revolutionary lyrics beside Samsaenthai Street again.... I asked at a shop and learned that he had given up the guitar, picked up a spade, and was working in a government construction project far from the capital.

For this reason it was uncomfortable and strange.... But I was happy that Vientiane is still normal, and it looked as if people are well.

Street No 13 from the Wattai Airport into the city had been repaired.... It had been completely repaved with asphalt at the beginning of this year after Thai officials allowed almost 3,000 tons of asphalt to cross the border.

If this had not happened, the high-level officials from Bangkok who came to visit Vientiane this time might have gotten somewhat banged up....

The three five-story apartment buildings on the corner at the intersection of three streets are still there, but there is a fence built close around them now.

These are the apartments of the experts from afar.... The plump ladies from Eastern Europe still probably take the grandchildren and great-grandchildren of Mr Gorbachev for evening walks as usual.

These are still probably countless bus trips to carry these experts to workplaces or production places every morning and back again every evening.

Vientiane still has no bus service... The pedicabs and motorized pedicabs still monopolize mass transportation with friendship prices, but their prices are brutal for strangers from Bangkok.

Lanchang Street is still full of many brands of bicycles (which are made in Thailand). This is the best and most convenient form of transportation in the capital.

This is a place where Volga and Lada sedans and strange trucks from far-off socialist lands rule the roads.... But goods from Thailand generally dominate all the state shops.

The morning market was moved from Lanchang Street some distance to a new location at Wat Phrathatuluang a long time ago.... The diplomats often meet the Lao government ministers at the new market while shopping.

But the fresh food market is still in service at the location of the old morning market.... The Vietnamese women merchants sell bread which they bake there.... The women students from the medical college still park their bicycles and eat rice noodles (kuaichap) with boyfriends on the corner next to the post and telegraph office.

Pale yellow oranges from Luang Prabang are on the market tables instead of the road-orange ones from Danang today.... The purple-red apples from Australia have disappeared while the salted fish from Kampuchea and the dried squid from Haiphong have increased. These are the changes in the fresh-food market.

I was fortunate to be able to meet two Vietnamese soldiers unexpectedly one morning.... I was relieved that these two brave women were not carrying their AK rifles, but both their packs were full of salt and sugar.... They were bringing it to trade for meat.

I learned 2 years ago that salt and sugar were scarce for Vietnamese soldiers stationed in Laos.... that both of them had plenty was something new.

Speaking of soldiers, there are many problems which will have to be discussed.

Lao government officials still insisted to me as before that these Vietnam soldiers did not take anything by force from the Lao people...except from the air they breathed.

But a woman student at the medical college felt differently about it....

As we conversed while sharing a bench and eating rice noodles one morning, she told me that no one liked to see foreign soldiers in his country even though

she admitted that these bodoi soldiers had not caused trouble for the Lao people.

She made an invidious comparison in an appealing way calling on me to remember when Khorat, Takli, Udon, and Utaphao were full of G.I.'s.... At the same time she said she hoped that some day, when the party and state had accomplished their security duties, the descendents of Truang Chin would go home.

Fine...the people on the right bank of the Mekong have a right to their opinion, which is not the same as that of the people on the left bank.

However, when we got away from this matter, we had no problems.

The women merchants, drivers, government officials, and the whole neighborhood are still fans of the shows on color channel 7 as before.... The dumber the program, the more people like it.

Many pretty girls in yan sihom still rave about the Victory Monument in Bangkok... the central plaza or the Kraduang Discotheque. They only want to go and see for themselves.... They want to see some new, different clothing fashions.

Civilizations which have gone beyond the bounds of their revolutions turn to channel 7 color TV for something good...!

...On this trip to Vientiane I felt extremely lonely because I did not meet those I used to know, but I was lucky in that I met many new people.

Whether it was in the information department of the Foreign Ministry, the Lanchang Hotel where I stayed, or late at night in the five or six new coffee shops which have sprung up....

Vientiane is still pleasant....

[Captions]

Socialist youths eat rice noodles at the fresh-food market (left). Vietnamese soldiers emerging here to the barter salt and sugar for meat (right). Lanchang Street is busy in the early morning. The majestic victory monument is in the background (middle). The experts from Eastern Europe getting out of their parked vehicle look strange; they are in front of a large store while on their way to work... probably they stopped to shop.

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CSO: 4207/82

THAI PAPER COMMENTS ON SOUPHANOUVONG'S HEALTH

Bangkok NAE0 NA in Thai 31 Oct, 1 Nov 86

[31 Oct 86 p 2]

[Excerpt] At the age of 77, Prince Souphanouvong is the oldest of Laos' leaders. He was a leader when the Pathet Lao launched its struggle. He fought side by side with Kaysone Phomvihane, the party general secretary and prime minister. On 23 March 1946, these two leaders fled the French by swimming across the Mekong River from Thakhek in Khammouan Province to Nakhon Phanom Province. But because he was wounded while swimming across the river, Prince Souphanouvong was taken to Bangkok for treatment. He returned to Laos the following year.

Prince Souphanouvong is the son of Prince Boun Khong, the former heir apparent, and the younger brother of Prince Phetsarath and Prince Souvanna Phouma, the former prime minister who was removed from his position by the communists and who served as an "advisor" to the government until his death at the beginning of 1984.

Mr Phoumi [Vongvichit] was born in Xieng Khouang Province. He attended secondary school in Hanoi and then earned a bachelor's degree in law in France. After returning to Laos, he worked his way up to the position of governor of Vientiane Province. Later, he served as the governor of Houa Phan Province. He joined the struggle led by Prince Souphanouvong and Mr Kaysone around 1949. He has been the No 4 man in the Politburo since the change of administration.

[1 Nov 86 p 2]

[Excerpt] Last Wednesday, citing health reasons, Prince Souphanouvong signed an order appointing Mr Phoumi Vongvichit acting president and chairman of the State Council in his place. This has made people wonder what has been going on in Vientiane these past 3 days. During last Friday's news broadcast on the Lao National Radio, nothing was said about the "resignation" of Prince Souphanouvong. And nothing was said about appointing someone to take over his positions.

NAEO NA talked with an official at the Lao embassy on Friday. He said that Prince Souphanouvong has not resigned from his positions. He is just "resting temporarily," because he has been sick. But he could not provide any details on his illness. This official did admit that Laos' president had once made a secret trip to the Soviet Union for medical treatment. Again, he refused to go into the details.

Prince Souphanouvong was born on 13 July 1909 in Luang Prabang. He is now 77 years old. He is the oldest member of the Politburo, which is the highest organization of the Lao People's Revolutionary Party (LPRP). He is nearing the end of an event-filled life of 30 years of struggle against the French colonialists and "American imperialists" and 11 years as head of the government following national liberation.

There does not seem to be any reason to doubt that Prince Souphanouvong really is ill. Several months ago, a senior Lao official informed NAEO NA that Prince Souphanouvong was suffering from heart disease and other complications. It appears that his condition has grown worse. At a summit meeting held in Harare at the beginning of September, he was unable to stay until the end of the 6-day meeting and had to rush back to Vientiane.

But on 6 September, Prince Souphanouvong, together with Mr Kaysone Phomvihane, the party general secretary, sent a telegram of congratulations to Mr Todor Zhivkov, the general secretary of the Communist Party of Bulgaria, and other leaders on the 42d anniversary of the revolution in that country (PASASON, 9 September 1986).

During the past month, Prince Souphanouvong has joined with Mr Kaysone in sending congratulatory messages to the leaders of various friendly countries. But he has not appeared in public to greet visiting delegations even once. And he did not participate in the ceremony to award the "Friendship Victory Medal" of the Supreme People's Council to a team of Vietnamese experts on 14 October. A lower-ranking official officiated in his place (PASASON, 15 October 1986).

The person who has taken his place during the past month has been Mr Phoumi, the man who was appointed acting president in his place last Wednesday. What is happening in Vientiane? We should know the answer when the party holds its Fourth Plenum a few weeks from now.

11943

CSO: 4207/98



MAHATHIR MEETS SUHARTO; RAIS MEETS MOKHTAR

BK050839 Kuala Lumpur BERNAMA in English 0812 GMT 5 Feb 87

[Text] Kuala Lumpur, 5 Feb (BERNAMA)--President Suharto and Malaysian Prime Minister Dr Mahathir Mohamed Thursday held a 90-minute closed door talk in Johor Baharu, 400 km from here in matters of bilateral and regional interest.

The 90-minute "four-eyed" talks held without the presence of aides took place as the foreign ministers of the two countries met separately. Details of the talks were not available.

President Suharto is on 24-hour working visit to Malaysia.

Officials said President Suharto and Dr Mahathir were believed to have discussed the problem of the influx of Indonesian illegal immigrants into Malaysia and other bilateral and regional issues.

Foreign Minister Rais Yatim later told reporters that almost similar issues were raised at the meeting between him and his Indonesian counterpart Prof Mokhtar Kusumaatmaja. These included a review of the immigration procedures between the two countries and bilateral trade on primary commodities.

On the commodity front, he said officials from both sides exchanged views toward a more broad-based line but added that it would be up to the economic ministers to further explore the matter.

On the illegal immigrant issue, Rais said both parties understood the situation and as such both should cooperate in curtailing the negative parts of it. "We have to have better supervision and then to implement the basic regulations and laws that we have, taking into cognizance the agreement that we already have, such as on the labor force and the need for the agreement to be implemented as closely as possible."

"Therefore, we should not be sensational about this and we should just go about and treat this as we ought in terms of the requirement of our law," he added.

Asked on the negative effects of the influx, Datuk Rais gave as examples the total deviation from set practice and lack of documentation.

"We have to work out the details and the understanding is that we [words indistinct] approach towards it," he added.

/9738

CS0: 4200/319

## MALAYSIA

### RAIS ON MEETING WITH MOKHTAR

BK051037 Kuala Lumpur BERNAMA in English 1010 GMT 5 Feb 87

[Text] Johor Baharu, 5 Feb (PANA-BERNAMA)--Malaysia and Indonesia Thursday achieved an understanding to overcome the problem of entry of Indonesians "without documents" into the country.

The understanding was achieved following 90 minutes of discussions between Malaysian Foreign Minister Rais Yatim and his Indonesian counterpart, Prof Mokhtar Kusumaatmajaa, here.

The discussions were held simultaneously with the "four-eyed" meeting between President Suharto of Indonesia and Prime Minister Dr Mahathir Mohamed at the Istana (palace).

President Suharto and his wife, Ibu Tien, arrived here this morning for a 24-hour visit to Malaysia.

Rais told reporters here that an understanding was also achieved on the need for both countries to formulate strategies to ensure the problem did not worsen. "But cases which have been referred to the courts will have to run their course," he said.

Rais said the problem was discussed on a general basis and follow up action would be taken on any adjustments to be made.

Malaysia and Indonesia reviewed the existing immigration supervision procedures and any move, like having border passes, would be made through meetings at officer's level, he said. The meeting also discussed regional issues, including the Vietnamese occupation of Kampuchea and the proposal to make the ASEAN region free of nuclear weapons.

The meeting between the two foreign ministers was also attended by senior officers of the foreign ministers, home ministries and the armed forces of the two countries. Thirteen issues were raised at the meeting.

On trade and economic cooperation, Rais said Malaysia and Indonesia agreed that their economic ministers take the initiative to formulate strategies to step up cooperation. He said that the meeting reviewed the progress of economic cooperation achieved so far and found there were still many problems which needed to be overcome, like in the automotive field and the system under which trade information was exchanged.

Discussions on regional issues touched on the Kampuchea issue and Malaysia and Indonesia, as members of ASEAN, agreed to continue to play a positive role towards settling the problem in the interest of peace in the region.

On the proposal to make the ASEAN region free of nuclear weapons, he said a strategy towards achieving this would be drawn up at the ASEAN summit in Manila late this year. Rais said such a strategy was necessary to enable the big powers to understand and accept the concept.

"Although the problem is a big one it has to be shouldered together by ASEAN," he said. He said that Malaysia and Indonesia, with the cooperation of the other ASEAN countries, would begin to make preparations for the summit by working out the agenda and discussion papers.

Rais also welcomed Indonesia's positive support regarding the International Conference on Drugs in Vienna, Austria.

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CSO: 4200/319

MAHATHIR ON RATIFICATION OF SABAH UMNO FORMATION

BK071304 Kuala Lumpur BERNAMA in English 1046 GMT 7 Feb 87

[Text] Kuala Lumpur, 7 Feb (BERNAMA)--The United Malays National Organization (UMNO) Supreme Council Saturday ratified the formation of Sabah UMNO and opened its membership to United Sabah National Organization (USNO) members and other bumiputeras (indigenous people) in Sabah.

Prime Minister and UMNO President Dr Mahathir Mohamed said non-Muslim members however must accept all UMNO policies and its constitution beforehand. Speaking to reporters after chairing the council meeting at UMNO headquarters here, Dr Mahathir said USNO would continue to exist in Sabah because of "certain reasons." He did not say what the reasons were.

Before this, several Sabah quarters such as USNO, Parti [name indistinct], Bersepadu and a group under former Berjaya Vice-President Mohamed Dun Banir had expressed a desire to join UMNO in Sabah.

Dr Mahathir said a pro tem committee had been set up in Sabah comprising several USNO members, Mohamed Dun and Bersepadu President Osman Raof. It would handle admittance into Sabah UMNO with the assistance of UMNO Vice-President Ghafar Baba and several other UMNO Supreme Council members.

On admittance of USNO members into UMNO, Dr Mahathir said this would be based on the list of names of those interested and not effected on an en bloc basis. USNO would submit the list of names of its members together with their signatures for verification before they were accepted into UMNO. Meetings would be held for the setting up of UMNO branches in Sabah and those whose names were not in the list but had registered to join UMNO could attend.

Meanwhile, UMNO Secretary-General Sanusi Junid said UMNO headquarters will invite Sabah UMNO members to send observers to the April UMNO General Assembly.

Dr Mahathir also announced the formation of UMNO's latest [words indistinct], the Northern California UMNO club.

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CSO: 4200/319

NEWSPAPER CONSIDERS RELATIONS WITH INDONESIA

BK090859 Kuala Lumpur NEW STRAITS TIMES in English 7 Feb 87 p 8

[Editorial: "Ironing Out the Problems"]

[Text] Of all the issues pertaining to Malaysian-Indonesian relations, the one that currently arouses the most concern for most Malaysians is Indonesian illegal immigrants. Both Foreign Minister Datuk Rais Yatim and his Indonesian counterpart, Prof Mokhtar Kusummaatmaja, gave due recognition to the primacy of this problem when they discussed bilateral matters during the Indonesian Government delegation's visit in the week. This, as with other issues of common interest, requires full participation and equal commitment from both sides.

Similarly, it is necessary for both countries to achieve a clear and common set of guidelines on trade. These would need to cover the kind of production by each country that impinges on the interests of the other. For some goods more than others, perhaps, reaching complete agreement would take time. But the signs augur well for further cooperation--bilateral trade continues space, and new possibilities like Indonesian helicopters have been considered.

In the long term, trade should figure most prominently in relations between Kuala Lumpur and Jakarta. This was, after all, the original rationale for ASEAN--and the regional grouping certainly needs to step up efforts on the economic front. But a sense of regional identity also needs to be preserved. Nuclear and other military threats from the superpowers have to be addressed and contained. A factor in the region's continued progress must be its non-aligned status.

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## MALAYSIA

### BRIEFS

RAFIDAH TALKS WITH BURMESE TRADE MINISTER--Public Enterprises Minister Datin Paduka Rafidah Aziz told newsmen in Kuala Lumpur today after receiving Burmese Trade Minister U Khin Maung Gyi at her office that Malaysia has made an offer to Burma concerning the export of semi-processed, processed commodities, and other services to the republic as an effort to strengthen bilateral trade relations between the two countries. She said Malaysia plans to continue importing rice from Burma and noted that during the 1984-85 period, Malaysia imported 64,356 metric tons of high quality rice from that country. Datin Paduka Rafidah said Malaysia also offered the export of automobile components to the republic which is believed to have produced cars and trucks for its domestic market. Other offers included printing securities, tin-based products, dried and frozen foodstuff processing, and also expertise on dockyard facilities by Malaysia Shipbuilding and Engineering. Burma, on the other hand, is willing to provide food items such as garlic. [Text] [Kuala Lumpur Domestic Service in Malay 1230 GMT 6 Feb 87 BK] /12858

SINGLE MULTIRACIAL PARTY--Deputy Prime Minister Encik Ghafar Baba has reiterated that it is his wish to see all races in the country become members of a single political party. However, he said this cannot be done by force but through a process of change. He was speaking to reporters before opening the annual general assembly of UMNO [United Malays National Organization] Budiman Branch in Kuala Lumpur today. As far as UMNO is concerned, the party feels that the Malays in the country are still backward as compared to other races. They still need UMNO to fight for their betterment. Encik Ghafar said that the main obstacle preventing the emergence of a multiracial party is the economic gap between the various races. He believed that if the economic status of all races were at par, it would facilitate the formation of a multiracial party. He foresaw that this would happen in about 20 to 30 years time. [Text] [Kuala Lumpur Domestic Service in English 1130 GMT 8 Feb 87 BK] /9738

CSO: 4200/319

KANAKS PLAN REFERENDUM BOYCOTT

Port Moresby PAPUA NEW GUINEA POST COURIER in English 2 Feb 87 p 8

[Text]

PARIS: A New Caledonian independence movement plans to boycott a referendum.

It will decide whether or not the South Pacific territory remains under French rule, a leader of the movement said in an interview published yesterday.

Kanak leader Jean-Marie Tjibaou told the left-wing *Le Matin*: "We... will organise passive resistance, probably with a boycott of the referendum."

The Kanak Socialist National Liberation Front (FLNKS), of which Tjibaou is president, has criticised French plans for the referendum and called for it to be reserved for ethnic Kanaks, or Melanesians, who make up 43 per cent of the island's 145,000 population.

**Demands**

Tjibaou said the French government had already made clear its choice for the future of New Caledonia when it adopted terms for the referendum without taking account of Kanak demands.

"But I would like to believe that there is still a chance of getting out of this deadlock and we are also organising ourselves with our eyes on the possibility of rapid independence," Tjibaou said.

Asked about the probable aftermath of the referendum if the FLNKS boycotted it, Tjibaou said: "Everything that will be done then will accelerate the process. There will be tensions and victims, which will only speed up the course of history."

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CSO: 4200/328



PAPUA NEW GUINEA

DEFENSE, TRADE TALKS WITH AUSTRALIAN OFFICIALS BEGIN

BK121336 Melbourne Overseas Service in English 0805 GMT 12 Feb 87

[From the "International Report" program]

[Excerpt] A delegation of Australian Government officials is in Papua New Guinea to discuss plan for future relations between the two countries. The talks will cover a wide range of topics, including a formal defense treaty discussion paper. A copy of the document has been obtained exclusively by Radio Australia's Port Moresby correspondent, Sean Dorney. He explains the contents of the document and the basis of the proposed defense treaty to reporter (Anna Reynolds):

[Begin recording] [Dorney] This would involve several treaties including, very interestingly, a defense treaty. The guiding principle in relation to that would have read something like the two governments shall cooperate in meeting common threats to their security, including armed attack against either country. So what the Papua New Guinea officials and the government want is something far, far broader than the Australians had at first thought.

It has long been the desire of some people in the Papua New Guinea administration to tie Australia down to some sort of a defense agreement. There seems some reluctance in Australia to enter into a defense agreement and what is being proposed in these articles is something far broader than say Australia's ANZUS Treaty with the U.S. What Papua New Guinea is really suggesting is that Australia would come to Papua New Guinea's aid in case of foreign attack.

Now, there has been a lot of reluctance in Australia, as I have said, to entering into a formal treaty.

[Reynolds] It is clear what gains Papua New Guinea could get from such a defense proposal, but Australian delegates have so far been tight-lipped about how far they would go into a formal treaty.

The talks only began in Port Moresby this morning. And also on the agenda is the question of Australia's aid to Papua New Guinea which you will remember was cut by about \$10 million [Australian dollars]. The trade minister, Sir Julius Chan was in Australia several weeks ago talking about moving the emphasis of Australian assistance from aid to trade. Sean Dorney explains:

[Dorney] Currently, Australia's aid to Papua New Guinea is running at about \$320 million a year, but that is decreasing in real terms and what Julius Chan wants to do is to switch the emphasis of that over to trade. In fact, I asked this question yesterday and he elaborated a little on it.

[Chan] I believe that we could strike another form of a long-term arrangement based on trade where Australia can give us a guaranteed market at reasonable prices of the sort of commodities that Australia has been importing from Papua New Guinea for a number of years. We both have a historical record of the commodities that Australia has been importing as well as we know there is a sort of consumption growth of those commodities, and it would be nice, indeed, if Australia can say right, in place of aid over a time let us begin to establish a tangible arrangement also by guaranteeing Papua New Guinea to buy so much coffee, say 60 tons of coffee by 1990 or 50 tons of cocoa by 1990 so we got the guaranteed market. [end recording]

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CSO: 4200/331

PHILIPPINES

LEFTIST PUBLISHER URGES FAIRNESS, VIGILANCE TOWARD AQUINO

Quezon City WE FORUM in English 26 Jan-1 Feb 87 p 2

["Founder's Notes" by Jose G. Burgos, Jr: "The Day Cory Said 'No'"]

[Text] It was mid-morning when Cory Aquino, accompanied by daughter Ballsy, walked into my office that Monday morning of April 1985.

Her face etched in worry, the future President requested me to "please publish" a letter she had written, disputing an earlier column of the Burgos patriarch that she was the then united Opposition's choice as its presidential standard-bearer.

I could sense that Mrs Aquino was tense, a bit dismayed over other stories Malaya had published that she was an emerging force the dictator had to reckon with in case of a presidential election.

"I am not a politician, Joe," she softly told me. "My only concern now is to help unite the Opposition so that the Marcos regime could be toppled the soonest," Cory almost implored.

I promised her that I would have her letter published in full but I insisted she should not close her eyes to the swelling clamor of the people to pit her against Marcos in any election.

Seven months later, Marcos shocked the nation when he announced the holding of a snap presidential election. Soon thereafter, Cory was thrust into the political ring although her initial reaction was still the same as when she visited me in my office. But a million Filipinos drafted her to run for the presidency. The rest, as they say, is history.

I recall all these because of the swirl of events that have taken place since she was installed to the presidency through "People Power."

I could still remember Mrs Aquino balking at the prospect of her taking the place of Marcos.

While majority of the Filipinos today continue to believe in her, there are others who seem to have heaped all the blame on the Chief Executive. Perhaps they are right. But the problems are so gargantuan and so complex that unknotting them would take some time.

Mrs Aquino has no supernatural powers to change things overnight. Let us be fair and give her time. But let us also be vigilant in scrutinizing all her moves and when we think that she could no longer cope with the responsibilities of the presidency, then we'll simply say, "Nice try, Ma'm but we deserve a better deal."

Or else, we can say "goodbye" to each other.

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CSO: 4200/329

VERITAS DETAILS COMELEC REJECTION OF PARTIDO NG BAYAN

Quezon City VERITAS in English 29 Jan-4 Feb 87 p 6

[Article by Ma. Luz Yap Baguioro]

[Text]

**I**N INITIALLY rejecting the Partido ng Bayan's accreditation as a legitimate political party, the COMELEC apparently perceives the left-leaning PnB as a Trojan horse which would be used by the communists to gain entrance into the legal political arena.

In the decision (four against and three in favor) rejecting the party's petition for registration, Commissioner Tomas V. de la Cruz explained that the State "must defend itself from incursions by elements who attempt to participate in its democratic processes and utilize the same processes to undermine the stability of its existence."

But Commissioner Haydee Yorac, one of three commissioners in favor of PnB's accreditation said Monday that "there was no doubt" that the PnB will be accredited should it meet Comelec requirements.

The party, she said, will have to file a motion for reconsideration and submit an amended constitution and by-laws.

The electoral body took judicial notice of the names of Bernabe Buscayno and Juliet de Lima Sison which appear in the PnB's roster of members.

Buscayno, also known as Kumander Dante, is believed to be the founder of the New People's Army. He was captured in the mid-70s and charged with subversion. Buscayno was freed last year as part of the President's campaign promise to release all political detainees.

Juliet Sison is the wife of Jose Ma. Sison, the alleged founder of the outlawed Communist Party of the Philippines.

In a hearing conducted last Dec. 18, Alan Jazminez, PnB's secretary-general, disclaimed any knowledge that some of the party's members have communist links: "It is possible but I think there is no categorical statement about anybody being a member of the Communist Party now and before...."

He acknowledged that "there are some members who have been alleged by the government and the military to be active members of the Communist Party. . . . However, I don't know any who has officially been declared or admitted officially that he is a member of the Communist Party."

These "attempts to de-emphasize the issue only underscores the obvious," de la Cruz wrote.

In an interview, Comelec chairman Ramon Felipe said the Commission denied the party a legal personality on account of two provisions in its Constitution: the use of violence and the promotion of the class struggle between the elite and the masses.

They verbally renounced violence as a means but they did not make corresponding changes in their Constitution, the Comelec chairman noted.

But last Monday, Yorac said Commissioner Andres Flores, who initially con-

curred with the majority decision barring PnB, submitted a separate position paper and indicated a willingness to reconsider PnB's application if it would explicitly state in its by-laws its adherence to the Philippine Constitution and renunciation of the use of violence as a means to attain power.

Flores' willingness to reconsider his vote may yet result in PnB's accreditation, Yorac said.

The PnB case has reportedly resulted in a rift between the conservative and more liberal members of the COMELEC.

The lack of official recognition doesn't bar PnB members from running in the coming elections as independent candidates, Felipe said.

The candidates, however, are not entitled to election watchers and cannot participate in the multi-party system, a mechanism introduced in the proposed Constitution in which platforms and programs of government of contending parties, rather than personalities, are pitted against each other.

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CSO: 4200/329

MANILA COLUMNIST HITS JUSMAG, NAFF ANTICOMMUNISM

Quezon City ANG PAHAYAGANG MALAYA in English 29 Jan 87 p 4

[Column by Luis R. Mauricio: "Exorcising the Armed Forces"]

[Text]

**T**HE SOONER the government purges the Armed Forces of the Philippines of its anti-communist paranoia, the easier it can attain the stability it has been seeking since it came into power.

Since the Philippines became independent in 1946, the AFP has been nurtured in the cold-war tradition then fashionable that it exists to erase from the face of the earth that vile ideology known as communism. Through the years, nothing had been done to instill in the minds of the nation's soldiers the concept that they have far more important things to do than that and that is to serve the people and protect the security of the country.

For this remarkable omission, thanks are due to the JUSMAG (Joint US Military Advisory Group), which had devised an elaborate range of rewards for anti-communist fighters, from post-exchange (PX) privileges in US military and naval bases, as well as civilian dependents' stations, to officers' training in military service schools on the US mainland.

The Philippine government, surprisingly, allowed the Filipino soldiers to receive these benefits, to the point where training in US service schools invariably opened the door to promotion. By being dumb enough to agree to this arrangement, it encouraged the AFP officers to be more loyal to the US

military advisors than to their Filipino superiors; in effect, it prodded them to aspire for singular ferocity in anti-communist outlook, it being the surest way of catching the eye of and favors from their US masters.

#### Military Schizophrenia

**M**ARCOS was familiar with the military's obsession with its anti-communist role and it is this schizophrenia, which is shared by a great number of people, that he took advantage of and exploited in his climb to autocratic rule.

He justified his imposition of martial law as a measure to put down communist militancy that was the alleged cause of his administration's problems. He was able to make the Americans forget their commitment to democracy by making them believe that the alternative to his dictatorial government was communist anarchy.

Juan Ponce Enrile, his chief conspirator in the commission of this crime of the century against the entire Filipino people, is likewise aware of the military's irrational hostility toward anything that smells, talks or looks like red. That is why, to this day after he had cut his ideological umbilical cord from Marcos -- Enrile keeps on harping on the "struggle against the communist menace," and, whenever he gets the chance to stand before a microphone, attacking President Aquino for being soft on communists and their ideological cousins.

### Ready-made Excuse

**T**HE SOLDIERS -- officers and men -- who attempted the failed coup the other day had learned their lessons well.

Seeing as how Marcos and Enrile had gotten away with so many crimes against the people, all in the name of anti-communism, they have come up with a common defense: if they had committed what appeared to be rebellion against duly-constituted authority, it was only because of their zealousness to drive away communists.

One of the survivors in the pre-dawn attack on Villamor air base Tuesday was asked, as he lay nursing his wounds in his army hospital bed, why he took part in the attempted seizure of the camp.

His answer was that he had been told by his immediate superior that communist NPAs were about to raid Villamor air base, and they were taken there to secure it -- i.e., protect it and do battle with the communists.

The superior officer knew -- as did Marcos and Enrile -- how to manipulate his men by offering them what appears to the military mind as a sound motivation.

Either that or that the coup mastermind took extra efforts to provide all coup participants with ready-made excuses, in the event that things did not turn out right.

### Anti-Red Paranoia

**T**HE OFFICER leading the rebel soldiers occupying (as of Wednesday afternoon) TV station 7 has a more sophisticated justification for his rebellious action than that given by the survivor of the Villamor encounter.

But it still essentially revolves around the military's anti-communist paranoia.

Col. Oscar Canlas, the officer referred to, had this to say about the extraordinary action he and his men had taken:

"I don't have the impression it is a coup d'etat... We are after the welfare of the country."

"We are fighting communism," he added, "and we feel that the influence of communism has grown very fast in the past 11 months."

How very much it sounded like Marcos! How very like Enrile!

### Pining for Old Times

**T**HIS WAS THE SAME refrain the nation heard from the soldiers who took part in the Manila Hotel coup-mic opera last July.

Many of the soldiers who took part in the takeover of the hotel then did not know that they were going to participate in a coup -- that they were being used as tools of ambitious men. They claimed that Enrile needed help against the communists, and that is why they eagerly joined in the expected fray.

That simplistic explanation, of course, is not true for every one of the soldiers who were there at the time.

Some of them owed their loyalty to the deposed dictator and/or his defense secretary, because of the many favors they received and the many benefits they enjoyed under the discredited regime, and would willingly give their lives to see those "good old days" come back.

But it is difficult to rule out the fact that their colleagues were merely misguided elements -- believers in the wrong perception, long ingrained in the Philippine military establishment, that the Armed Forces has but one duty and that duty is to fight communism.

### Where to start

**T**HE DETERMINATION of the President, which she expressed the other day, to see to it that those involved in Tuesday's coup will be brought before the bar of justice, will go a long way toward ridding the Armed Forces of the Philippines of elements who owe their loyalty to one man or one group of men, not to their country and its flag.

But so long as the government undertakes no efforts to work on the minds of the officers and men of the



AFP and exorcise them of the erroneous concept that they are there to fight communists and not primarily to serve the people, the long-sought-after stability will remain as elusive as the proverbial will-o'-the-wisp.

Of course, before such a thought-purification could succeed in the AFP, a start must be made in the government's central seat of power.

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CSO: 4200/342

## NDF/NPA BLAMES NAFF RESTIVENESS ON AQUINO INACTION

Quezon City ANG PAHAYAGANG MALAYA in English 29 Jan 87 p 6

[Text]

The National Democratic Front yesterday charged that the Aquino government is rapidly weakening its hold over the military as shown by recent military actions, the latest of which was the aborted rebellion last Tuesday.

At the same time, the New People's Army general staff said the series of coup attempts by the military since July last year "exposed the bankrupt orientation prevalent in the NAFF."

The NDF said the Aquino government failed to take decisive actions against forces identified with former Defense chief Juan Ponce Enrile and deposed President Marcos.

"This stems from the fact that the military and the Aquino government share the same negative attitude toward the revolutionary forces and the people's struggles," the rebel alliance said.

It said the Aquino regime is now paying the price for its inaction and basic weaknesses, resulting recently in the attacks by the renegade soldiers against the military installations and media facilities.

It said the attacks on the Villamor Air Base, Sangley Point, and GMA 7, where rebel soldiers are still holed out, "are the inevitable effects of an effective policy of indecision, based on the government's dubious politics of accommodations and silence over

growing military power."

However, the NDF said, not only is the present regime paying the price but, also the 18 marchers and labor leader Rolando Olalla and his driver Leonor Alay-ay who it said were killed by the military.

The NPA said the failure of the government to act decisively against the "fascist remnants of the deposed regime" has made it vulnerable to the destabilization schemes of these forces who are out to restore "open terrorist rule to suppress the people."

"The soldiers involved in the coup attempts reveal rabid anti-communist orientation that turns them blind to reality and easily manipulated by coup masterminds for anti-people and anti-democratic activities," the NPA said.

Precisely for this reason, it added, "these soldiers no matter how grave the crime they commit, are accommodated by the NAFF to be used as cannon fodder by coup plotters."

The militant Bagong Alyansang Makabayan, meanwhile, charged that the military is possibly the mastermind in this recent attempt to topple the 11-month-old government of President Aquino.

Jose Virgilio Bautista, electoral struggle commission officer of Bayan, said the military led by AFP chief of staff Gen. Fidel V. Ramos, must have orchestrated the Jan. 27 putsch to strengthen its hold on the civilian government.

He said the failed coup was orchestrated to enable the Aquino government to be more dependent on the

AFP.

Meanwhile, the Kilusang Magbubukid sa Pilipinas said they will push through with their scheduled "farm strikes," with land seizure as main component, that will culminate on Jan. 30.

Jimmy Tadeo, KMP chairman, said they targetted lands owned by Marcos and his cronies, idle lands, and others which should rightfully belong to the peasants.

He said they will barricade the land from countryside to the urban centers.

Other cause-oriented sectoral organizations will also push through with their planned protest actions to "thwart the restoration of fascist rule in the country."

The protest actions, which are ongoing in several regions, like Davao, Central Luzon, and Western Visayas, will culminate on Jan. 30, simultaneous with the mass burial of 18 victims of massacre in Mendiola last week.

Aside from the demands of the farmer for genuine land reform, and other sectoral demands, Bayan said they will urged President Aquino to sack Defense Minister Rafael Ileto, Gen. Ramos, Brig. Gen. Alfredo Lim, Brig. Gen. Ramon Montano, and Agrarian Reform Minister Heherson Alvarez.

They said that all vestiges of the fascist regime must be removed to achieve genuine freedom and democracy.

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CSO: 4200/342

PAMPANGA COALITION SPLITS OVER GOVERNOR BIDS

Quezon City VERITAS in English 29 Jan-4 Feb 87 p 20

[Article by Riza A. Moises]

[Text]

PAMPANGA's "solid front" is about to crack up. Political leaders of the ruling coalition who worked hard together to assure the victory for President Aquino in the snap presidential elections are expected to meet in a head-on collision for the gubernatorial race.

Directly involved in the shaping political battle are Bren Guiao, acting governor of Pampanga and Rafael Lazatin, a former member of the Batasang Pambansa and currently, the UNIDO regional chairman. Francisco Nepomuceno, mayor of Angeles City, and Egmidio Lingad, Deputy Minister of Budget, though not directly involved, have joined forces and will be fielding their relatives to fight both Guiao and Lazatin in the coming local elections scheduled for August this year.

Guiao, Lazatin, Lingad and Mayor Nepomuceno's wife, Juanita, ran together under the then opposition coalition in the 1984 Batasang Pambansa elections. All won, except Guiao.

All of them, except Lazatin, are members of the coalition Lakas ng Bansa.

For a while, many thought that Guiao would run as the ruling coalition's lone candidate in the coming local elections, until last week, when "Tatang Quitong" Nepomuceno officially announced the candidacy of his son, Robin, the acting vice governor of Pampanga, on the "insistent demand of the people." Robin's running mate will be Teresito Lingad, older brother of Deputy Minister Lingad, who is also a member of the Sangguniang Panlalawigan.

The announcement signals an open-break between Guiao and the Nepomuceno-Lingad tandem. Sources say relations have been "strained" in the past months allegedly due to the appointments of municipal OICs "who were unilaterally chosen by Guiao."

Guiao, so far, has taken the announced candidacy of the younger Nepomuceno quietly but a close Guiao aide said that the announcement of Robin Nepomuceno's candidacy, at this early stage, "is mere positioning" by the Nepomucenos. He said that this "may be used as a leverage to get what they want when party decisions have to be made regarding the local elections."

Robin Nepomuceno, on the other hand, said the fight for the gubernatorial post among the coalition leaders "will be a gentleman's fight, the best emerging as the winner.

"There's no backing out now," the young Nepomuceno said, adding that "only a bullet can stop me."

**F**ORMER Batasan member Rafael Lazatin, now in his late 70s, has confirmed his candidacy for the governorship. His only dilemma, he said, is that so many of his leaders now want to be his running mate.

Lazatin, who is also a former Pampanga governor, said he is confident that with the support of UNIDO, he has a big chance of winning the gubernatorial seat.

So far, the Nepomuceno-Lingad tandem is considered by political observers as the team to beat. "Both Nepomuceno and Lingad are historically winners in Pampanga politics," an observer noted.

Guiiao as the incumbent governor, on the other hand, has the resources and the facilities to further strengthen his mass base in the province. Aside from this, he is also known to be very close to both the Aquino and Cojuangco families, which is "obviously an added advantage," an observer said.

Since the governor's seat is being contested by members of the same coalition, Mayor Nepomuceno has asked President Aquino that Pampanga be declared a "free zone" in the coming local elections.

Once Pampanga is declared a "free zone," the national leadership is committed to refrain from

campaigning for or supporting a particular candidate in the local elections.

"This is to ensure a fair fight among the local leaders," Mayor Nepomuceno said.

**M**EANWHILE, the opposition leaders in Pampanga, headed by former governor and Justice Minister Este-

lito P. Mendoza, have recently formed a local party which is also expected to field candidates in the coming national and local elections.

The *Buklod Capampangan*, according to Mendoza, was primarily formed to meet "the problems facing our province including the city of Angeles."

The problems cited are the deteriorating peace and order situation, insurgency, increasing rate of unemployment, poverty and the said plight of farmers in the countryside.

"While many of these problems are not peculiar to Pampanga," Mendoza said, "it is often better dealt with by solutions specially suitable for the province."

The principal organizers of the new party include former elected officials from the provincial to the barangay levels.

"It is the hope of the organizers that all Pampangos who share the same affection for the province will unite in the common effort," Mendoza said.

The former governor said that he has not yet decided whether he will run for any elective position. He said he "might just support candidates" in both the coming national and local elections.

MINDANAO BISHOP ON MISUARI CHANGE FOR AUTONOMY

Quezon City VERITAS in English 29 Jan-4 Feb 87 p 20

[Excerpt]

**T**HE Moro National Liberation Front (MNLF) opted for autonomy, not secession, in its talks with the Philippine government in Jeddah, Saudi Arabia, because of President Corazon Aquino, says Bishop Fernando Capalla of Iligan.

MNLF leaders "have seen that the Muslim community believes in Cory (Aquino) and wants to give her a chance," he explained.

The bishop is among the many Church leaders who expect that the new constitution will be ratified in the February 2 referendum, the government-rebel ceasefire will hold up and the problem of Muslim autonomy will be largely settled this year.

They base their optimism on the belief that most ordinary Filipinos want peace and normalcy and see Aquino as their best hope for getting them.

Bishops involved in ceasefire talks at local levels report negotia-

tors on both sides have come to respect one another. These negotiations, they indicated, are making more headway than the national-level talks.

Bishop Capalla, who heads the Mindanao bishops' committee studying the Muslim problem, said, "I knew (Nur) Misuari (head of the MNLF) would opt for autonomy and not secession when he was willing to meet with Cory in Jolo in September."

"After that, he went around Mindanao and found out most Muslims don't want secession largely because they trust Cory.

"Misuari sees it's unrealistic to push for secession and so he agreed in Jeddah to work for autonomy."

He also predicted that Northern Mindanao people will vote for the constitution because they not only believe in Aquino but also want political stability, a government with a legislature and a constitution.

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CSO: 4200/329

AGRICULTURE MINISTER UPSET OVER 'FLOODING' OF IMPORTED FOOD

Quezon City ANG PAHAYAGANG MALAYA in English 30 Jan 87 p 4

[Column by Renato Constantino: "Mitra's Outburst"]

[Text]

A few weeks ago, Agriculture Minister Ramon Mitra was reported to be fuming mad over the unmitigated flooding of the domestic market with imported fruits and frozen fish.

He vented his anger at Central Bank Governor Jose B. Fernandez and Customs Commissioner Wigberto Tanada for the failure of the two to arrest the flow of these imports.

"Maybe we need a new governor," he was quoted as saying in reference to Fernandez. As to the customs bureau, he said it is "worse than it was during the Marcos era."

Mitra reminded everyone that "agriculture is the cornerstone of the Aquino government's program for economic recovery," stressing that unregulated agricultural imports will wreak havoc on the small agricultural producers, especially the small fishermen.

As in the NAGRICO controversy last year, Mitra tried to project himself as being on the side of the small farmers and fishermen in this fight over agricultural imports.

However, there is something fishy and inconsistent in Mitra's latest outburst.

He has been raging against the negative impact on agricultural production of the import liberalization program of the government, of which the Central Bank happens to be the main implementor. Has he failed to read or hear the reasoning of the NEDA,

IRRI, USAID, and IMF-World Bank economists on trade liberalization?

These economists have been telling us for the last five years that import liberalization, peso devaluation, and other trade liberalization measures will benefit Philippine agriculture first and foremost.

The protectionist policy of the past, these economists say, has only benefited a narrow sector of urban-based local industrialists producing expensive and shoddy products. Trade liberalization, they argue, will spur agricultural exports and will pave the way for national economic recovery.

The Policy Agenda for People-Powered Development, which Mitra and other Cabinet members approved in June last year, sums up the above argument this way:

"A macroeconomic policy environment conducive to agricultural growth and productivity shall be provided. The remaining bias against the agricultural sector that derives from the system of industrial protection shall be removed. A more flexible exchange rate policy, as well as a reduction in the level of real interest rates, will be pursued to avoid any overvaluation of the peso and its distortionary effects on production."

To complement trade liberalization the **Policy Agenda** calls for deregulation in agriculture which means a non-interventionist role of the government in agricultural trading, pricing and production.

These twin policies of trade liberalization and agricultural deregulation are reflected in the agriculture ministry's own **Short-Term Recovery Plan** formulated in May last year and in NEDA's **Medium-Term Development Plan** which was approved by the Cabinet last November at the height of the coup fever.

So where was Mitra when all these plans of the government and of his ministry were being drafted and being decided upon?

Where was he when the government, on the pressure of the IMF and the World Bank, started resuming and implementing in the second half of 1986 the import liberalization program first implemented by the Marcos-Virata

regime in the 1980-83 period?

And has he failed to read the Central Bank's list of items whose importation would be liberalized?

Has he not realized that the list includes even patis, dilis and bagoong?

Only Mitra can answer these questions. But now that he himself has seen that import liberalization is detrimental to the small agricultural producers, farmers have a right to ask: Will Mitra lead the way in the fight to reverse the IMF-inspired trade liberalization program currently being implemented by the Aquino government?

If he does not, then he is merely playing the traditional game of our ambitious politicians of silently acceding to the demands of the powerful, especially foreign big business, to insure their support for his rise in the power ladder while posturing as a defender of the poor majority to snare their votes.

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CSO: 4200/342

FOOD AUTHORITY TO IMPORT RICE IF FARMERS STRIKE

Quezon City ANG PAHAYAGANG MALAYA in English 29 Jan 87 p 7

[Article by Benjie Guervarra]

[Text]

The government will import rice and other food items to stave off a supply shortage that may result from the planned nationwide farm strike of the Kilusang Magbubukid ng Pilipinas, National Food Authority administrator Emil Ong said yesterday.

Ong said the food agency can procure rice, canned goods and other foodstuffs within five days from the other member-countries of the Association of Southeast Asian Nations in case the KMP plan to stage "escalated forms of protest actions" leads to a food shortage.

KMP earlier disclosed plans to stage a nationwide farm strike, possibly including crop production boycott and burning down of agricultural estates,

to protest the Jan. 22 massacre of at 15 marchers at Mendiola bridge.

KMP national chairman Jaime Tadeo Tuesday told *Malaya*, however, the farmers are suspending the plans until they have met with President Aquino.

This developed as the Kataastaasang Sanggunian ng mga Pambansang Lipunan ng Magsasaka, a newly formed peasant alliance which is against the KMP farm strike plan, yesterday expressed support for the proposed 1986 Constitution.

Claiming a membership of more than nine million farmers nationwide, Sanduguan dismissed KMP criticisms against the Charter, stressing the constitutional provisions on social justice

ensure the implementation of genuine rural reforms.

Sanduguan chairman Benjamin Cruz said the KMP farm strike will fizzle out since the militant peasant group can mobilize 50,000 farmers at the most. He said their members are not joining the farm strike to show its support for the government.

Ong also said the planned farm strike will not gain ground, but assured the public the NFA is prepared to check any possible food shortage.

NFA rice stocks nationwide total 600,000 metric tons which Ong said will last for 42 days at the daily consumption rate of 15,000 m.t. He added a substantial volume is also in the hands of traders and grains businessmen.

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WORLD BANK EXPECTS ECONOMIC RECOVERY THIS YEAR

Quezon City ANG PAHAYAGANG MALAYA in English 29 Jan 87 p 9

[Text]

WASHINGTON — The World Bank said yesterday the badly-mauled Philippine economy would probably recover this year if the country could use its industrial power more effectively.

The report was released by the bank in Washington as a Philippine consultative group met in Paris to discuss the country's development assistance requirements.

"The main objectives of economic stabilization have been achieved in the Philippines," the bank said. "The government now needs to focus on increasing output, employment, and living standards within an environment of constrained resources, both domestic and foreign."

The bank said the Paris meeting was reviewing the economic situation and prospects, as well as considering a medium term agenda designed to achieve sustainable economic growth.

Representatives from the United States, Britain, West Germany, Japan, Canada, France, India, Belgium, Finland, Italy, Australia, Spain and New Zealand are attending.

In addition there are delegates from development assistance organizations, including the International Monetary Fund (IMF), the UN Development Program, development banks, the Kuwait Fund and the Saudi Fund for Development.

The report said the recovery, led by industrial growth, could see Gross Domestic Product (GDP) growing in inflation-adjusted terms by five per cent this year.

"This can be achieved if existing capacity is more effectively utilized," the report said.

It said, however, the effort could be hindered by a number of factors, including biases against agriculture and export production, low productivity in industry, weaknesses in the financial system, low public sector savings and foreign debt.

The report cited relatively low oil prices, lower interest rates, certain agricultural reforms and the expected increase in investment as factors that could benefit the recovery.

The report made no mention of the political problems of the Aquino government, including a rebellion by troops loyal to ousted president Ferdinand Marcos.

But it said the Aquino government was "clearly concerned with supporting activities such as agriculture, small producers and exports which have been discriminated against in the past."

Among other adjustments to its economy, the Philippines will initially have to increase investment in export-oriented activities and in branches of manufacturing that, after some initial restructuring, can become competitive

with imports on the basis of relatively low tariffs, the report said.

It said since the government needed to increase social spending and undertake rehabilitation efforts in some of the basic infrastructure, the most promising ways of reducing the public sector deficit was to cut government payments to public corporations and improve tax collection. — (Reuter)

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CSO: 4200/342

# STRIKE HITS 28 FIRMS AT BATAAN EXPORT ZONE

Quezon City ANG PAHAYAGANG MALAYA in English 30 Jan 87 p 6

[Article by Joey Salgado and Greg Refraccion]

[Text]

Militant workers seeking a 25 per cent hike in the minimum wage and the repeal of restrictive labor laws barricaded the main gate of the Bataan Export Processing Zone in Mariveles Tuesday, crippling 6 firms and partially affecting operations in 22 others.

Director Bienvenido Laguesma of the ministry's Central Luzon office said as of yesterday the barricades set up by zone workers belonging to the Alyansa ng mga Mangagawa sa Bataan-Bataan Labor Alliance were still in place.

The workers protest action coincided with another strike staged by tricycle and jeepney drivers in the town, Laguesma said.

He told labor minister Franklin Drilon that the employers in the industrial complex have expressed alarm over the rash of "damaging mass actions" in the zone, which they consider politically motivated.

The Export Processing Zone Chamber of Exporters and Manufacturers has criticized the failure of concerned government agencies in dealing with such illegal actions, which have reduced the companies "into unwitting

pawns and hostages in situations where the firms have no involvement."

Laguesma said of the 31 firms operating within the zone, only three are fully operational. Six companies have completely stopped operations because of the walkout, while 22 are partially operational.

A dialogue Tuesday among labor leaders, zone authorities and local government officials of Mariveles broke down after the strikers stood pat on their demands.

Laguesma said the "labor-related issues" raised by the protesters include a 25 per cent increase in the minimum wage, the integration of the cost of living allowance with the basic pay, the abolition of the government's learnership and apprenticeship program, and the repeal of all restrictive labor laws.

The protesters, however, have raised other demands not within the labor ministry's jurisdiction. Laguesma said these demands include the repair of town roads, abolition of parking fees, ample protection of fishermen from pirates and those involved in illegal fishing, and upgrading operations of the Mariveles public market.

Col. Vicente Garcia, commander of Task Force Samat, told newsmen he will order his men to dismantle the barricades at the zone gates and "enforce the full force of the law."

The National Federation of Labor Unions told Malaya four of their affiliates took part in the protest action. These are the unions at Mariveles Apparell, Krismina Garments, Byron, and Monasteria garments.

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CSO: 4200/342

# LEADING CREDITORS CONFIRM \$1.7 BILLION AID PACKAGE

Quezon City ANG PAHAYAGANG MALAYA in English 30 Jan 87 p 9

[Text]

PARIS — A Philippines aid package worth about \$1.7 billion for 1987 was confirmed at a two-day meeting here of leading donor nations, Finance Minister Jaime Ongpin said yesterday.

But they took no decision on possible pledges for a further \$300 million of 1987 aid hoped for by Manila, he told a news conference.

Ongpin dismissed suggestions the failed coup attempt by rebel troops two days ago had frightened donors from making the extra pledges.

He said donor countries had shown themselves reluctant to make additional pledges for budgetary and procedural reasons but they might still do so later in the year.

The \$1.7 billion represents aid commitments already mostly in the pipeline and written into Manila's 1987 economic plans.

Ongpin said he had been hoping for a maximum of \$2 billion but the shortfall would not upset the government's planning.

He said the meeting, held under the auspices of the World Bank, had endorsed Manila's six-year medium-term economic strategy as being in line with the so-called "Baker initiative" put forward by US Treasury Secretary James Baker to solve developing country debt crises through growth-oriented adjustment policies.

Donor representatives at the meeting had expressed strong support for the government's proposed \$500-million land reform program and a decision on funding this could be taken at the Asian Development Bank's annual meeting later this year with Tokyo as a probable venue.

A great deal of work still had to be done on fleshing out details of the program, he added. Riots by land-hungry peasants in Manila last week and the failed military coup underlined the urgency of structural reforms, he told Reuters.

Donor countries represented at the meeting were Australia, Belgium, Canada, France, West Germany, Italy, Japan, The Netherlands, New Zealand, Spain, Switzerland, Britain and the United States.

Ongpin will end his debt talks in Paris by meeting on Friday with the co-chairmen of the 12-bank advisory committee that represents Manila's 483 creditor banks.

He said the private meeting with the co-chairmen Manufacturers Hanover Trust and Bank of Tokyo were aimed at reopening stalled negotiations on rescheduling \$3.6-billion foreign debt falling due between January 1987 and December 1991.

The Philippines' total foreign debt amounts to \$27.8 billion.

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CSO: 4200/342

## PHILIPPINES

### PRIVATE DEVELOPMENT FIRM'S LOANS REACH 132 MILLION PESOS

Quezon City ANG PAHAYAGANG MALAYA in English 30 Jan 87 p 9

[Text]

The Private Development Corp. of the Philippines (PDCP), the country's largest private development finance institution, had granted P132.4 million in loans to small and medium-scale industries (SMI) projects as of Dec. 31, 1986.

Luis V. Z. Sison, PDCP chairman and chief executive officer, said the amount represents financial assistance to 312 projects of 207 enterprises engaged in various industrial and agribusiness activities nationwide.

Of this amount, some P100 million was made available to 166 enterprises in the countryside through PDCP's seven regional branches in the cities of Cebu, Davao, Cagayan de Oro, Iloilo, Bacolod, Legazpi and Dagupan. The rest of P32 million was granted 41 clients by PDCP's main office in Makati.

Aside from its own funds, PDCP is accredited to tap the Central Bank's Industrial Guarantee and Loan Fund (IGLF) for industrial projects and the Guarantee Fund for Small and Medium Enterprises (GFSME) for agribusiness projects.

Sison expressed optimism about the continuous development and growth of SMIs with the recent increase in loan amount under the IGLF program.

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CSO: 4200/342

GSIS SAN MIGUEL SHARE TRANSFER REPORTED, ANALYZED

Quezon City ANG PAHAYAGANG MALAYA in English 30 Jan 87 p 9

[Column by Jake Macasaet: "Getting More by Selling"]

[Text]

In the minds of people who did not know what really happened, the Government Service Insurance System was unloading its holdings of San Miguel shares to a point where it could lose the board seat in the annual stockholders meeting in May. The truth, however, is that the GSIS strengthened its seat by selling the "B" shares of the country's largest food conglomerate.

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"B" shares in the case of San Miguel and a few other corporations listed on the stock exchanges are for foreign investors, but Filipino citizens or firms owned or controlled by Filipinos can also buy them. Understandably, there are fewer "B" shares than "A" but both of them are common or voting. The laws of this country limits the participation of foreigners to a minority.

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Because there are fewer "B" shares than "A" but both of them are eligible for Filipinos, "B" shares are normally priced higher than "A" shares. The GSIS must have sold about 80,000 "B" shares at about P80 per share. The "A" shares at that time were about P20 less or P60 per share. By selling the higher priced "B", the GSIS in effect increased in SMC holdings by using the proceeds to buy the cheaper "A" shares.

\*\*\*\*\*

If the GSIS had indeed sold 80,000 of the SMC "B" shares at P80 per share, total gross proceeds amounted to P6.4 billion. If all of that had been used to acquire "A" at P60 per shares, the GSIS ended up with an additional 26,000 "A" shares by simply selling the more expensive "B" shares. Eighty thousand "B" shares sold at P80 per share yielded P6.4 million.

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That amount bought 106,000 "A" shares at P60. Since only 80,000 "B" shares were sold, there was a net gain of 26,000 "A" shares. In effect, the GSIS strengthened its 5.6 per cent holdings with an additional 26,000 shares it practically did not even have to pay for. Smart decision Sonny Belmonte made.

\*\*\*\*\*

It is significant to remember at this point that Andres Soriano III, chairman of SMC, had included the holdings of the GSIS in attempting to gain 51.6 per cent control. The Soriano family's personal holdings in SMC is only 1.7 per cent but the family is said to be firmly holding — by assignment, proxy, voting trust or some such arrangement — about 18.6 per cent. The Sorianos are counting on the Recoletos' 3.5 per cent; GSIS' 5.6 per cent, the Roxases' 1.4 per cent, and SMC employees' 6.4 per cent.

\*\*\*\*\*

If President Aquino had not stopped the sale of 33.3 million shares said to be owned by stockholders of United Coconut Planters Bank, Andres Soriano III would have effectively controlled the country's largest publicly held firm to the extent of 51.6 per cent. And he would have spent hardly one red cent, so to speak, to gain such control.

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There are developments in the board room of the SMC that could affect the other stockholders. And there are more than 30,000 of them. It seems that the Soriano group is again attempting to renew its bid to buy the 33.3 million shares. In fact, the shares have already been transferred from about 14 companies to Hagedorn Securities, the stockbroker which was utilized to finalize a deal that appears to have fallen flat on its face.

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CSO: 4200/342

PHILIPPINES

CB TO ISSUE SPECIAL BILLS FOR DEBT-TO-EQUITY SWAP

Quezon City ANG PAHAYAGANG MALAYA in English 30 Jan 87 p 10

[Text] The Monetary Board recently authorized the issuance of P500 million worth of special series of CB Bills for interim investment of peso proceeds of debt-to-equity conversion transactions prior to actual utilization.

The bills will be open-dated and carry a term of at least 30 days but not beyond 364 days.

Pricing of the issue will be on discount based at one-half per cent lower than the average rate of the regular action of Treasury bills during the week. The yields applicable will refer to the average of Treasury bills issued for similar or nearest maturity, to be reduced, however, by a proportionate yield corresponding to the days lapsed, the CB said.

In view of their specific limited purpose, the bills will be non-negotiable, non-transferable and non-eligible for statutory reserve or other reserve purposes. They will be subject to the final withholding tax and other existing tax laws.

The debt-to-equity program allows the conversion of outstanding foreign obligation into pesos before maturity, provided the proceeds are used to buy into government-approved investments.

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CSO: 4200/342



2 BILLION PESO, 3-YEAR TREASURY NOTES SOLD OUT

Quezon City ANG PAHAYAGANG MALAYA in English 30 Jan 87 p 10

[Text]

The P2-billion block of 3-year Treasury notes auctioned last Tuesday, was sold out at a weighted average yield to maturity discount of 12.80 per cent, the Central Bank announced.

The average rate fared slightly better than the 12.86 per cent posted by the 3-year NPC Bonds last Dec. 10, 1986, and definitely far better compared to the 15.43 per cent of the first P2-billion block auctioned on Nov. 18, 1986.

The highest and lowest accepted bids settled at 13.04 per cent and 12.25 per cent, respectively. The corresponding band of this high-low range was relatively thinner at only 79 basis points compared to 221 basis points stretch registered by NPC Bonds.

Total tenders received at auction for the notes amounted to P6.4 billion marking a 3:1 over-subscription and registering P4.4 billion of rejections.

The flotation of the Treasury notes coincides with the growing demand for longer-term government issues.

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CSO: 4200/342

PHILIPPINES

PNB SEEKS 2-YEAR SUSPENSION OF GOVERNMENT DEPOSIT RULE

Quezon City ANG PAHAYAGANG MALAYA in English 30 Jan 87 p 10

[Text] The Philippine National Bank has pressed for the two-year suspension of a Central Bank circular requiring all government financial institutions (GFIs) to maintain a 75 per cent liquidity floor on national government deposits.

PNB said the rule will unduly delay its rehabilitation.

CB Circular 1121 also limits to working balances the deposits of the national government in the GFIS as a means of controlling the reserve money and stemming the GFIs' abuses of their lending operations.

PNB president Edgardo Espiritu said PNB is the "most affected" by the circular considering that 50 per cent or P12 billion of its total deposits comes from the government.

Espiritu said it will create problems for PNB and other GFIs because "we continue to service the commercial banking requirements of the national government, withdrawals, encashment of treasury warrants, salaries of government personnel."

"What's the use of maintaining PNB facilities in various government offices if we cannot operate viably," Espiritu said. He said PNB would rather program the gradual relocation of PNB branches but this will take time.

He requested the Monetary Board to suspend CB Circular 1121 for at least two years until PNB completes its rehabilitation program by 1989.

Espiritu stressed that the rehabilitation program specified that PNB should no longer rely on government loans and deposits with or without the implementation of the circular.

He admitted that government deposits in PNB are a "false source of strength in terms of sourcing of funds."

"We're not gaining anything out of government deposits," he said.

PNB services the salaries of most government agencies so that it is compelled to hold huge cash in vault.

PNB will have to charge government employees fees for this service if its cash in vault is depleted through the restrictions on the amount of deposits the national government can maintain in PNB.

Espiritu also noted that the Ministry of Finance has not yet issued the implementing guidelines for Circular 1121 so that the GFIs have not really complied with the circular which took effect last month.

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PREM RELIANCE ON KEY AIDES DISCUSSED

Bangkok SIAM RAT SAPDA WICHAN in Thai 28 Dec 86-3 Jan 87 pp 6, 7

[Unattributed report: "The Five Key P's Propping Up Gen Prem"]

[Text] It was about 2 months ago that people began talking about the "Group of Five P's." But this group is not engaged in anything deceptive. Rather, this group plays a political role and can be said to be the "braintrust" of Gen Prem Tinsulanon, the prime minister.

Who Is Who?

This Group of Five is composed of Gen Prachuap Suntharangkun, the minister of interior, Gen Phichit Kunlawanit, the assistant RTA CINC, Police Maj Gen Phao Sarasin, the deputy director-general of the Police Department, Squadron Leader Prasong Sunsiri, the secretary general of the prime minister, and Mr Piya Chakkaphak, the director of the National Intelligence Office. The group is referred to as the Five P's because the names of all five of these men start with the letter P, that is, Prachuap, Phichit, Phao, Prasong, and Piya.

Two years ago, these five men all held different positions than they do today. Thus, because they now hold different positions, the situation has changed, too. At that time, Gen Prachuap was the deputy prime minister, Gen Phichit was a major general and was serving as the deputy commander of the 1st Army Region and acting commander of the 1st King's Guard Division, Police Lt Gen Phao was the commissioner of the Central Investigation Bureau, Squadron Leader Prasong was the secretary general of the National Security Council (NSC), and Mr Piya was the director-general of the Department of Central Intelligence. Now, each holds a different position and has greater responsibilities. But their position as pillars supporting Gen Prem remains the same.

The Importance of Each Man

Let's look at the role played by each of these men, starting with Gen Prachuap. He is a close friend of Gen Prem. They attended the army technical school together and were both in the cavalry. He has a wide circle of friends and acquaintances in political and social circles and in the mass media. He is related to the owner of a major newspaper. It is said that after Gen Kriangsak Chamanan was forced to resign his position as prime minister, Gen Prachuap was

one of those who supported Gen Prem for this position in 1980. At that time, Gen Prem was the RTA CINC, and he had a very good image. This helped him get this position. At the same time, Gen Kriangsak's image had been tarnished.

Gen Prachuap became a deputy prime minister several years ago. But when the cabinet was reshuffled on 11 August 1986, he was appointed minister of interior. His appointment to this position shows the great confidence that Gen Prem has in his friend, because this position is the dream of politicians. Even Gen Han Linanon wanted this position, but he could not oppose the power of Gen Prem.

Gen Phichit Kunlawanit, the assistant RTA CINC, is a military officer who plays a major role. At one time he collided with Gen Chawalit Yongchaiyut, the RTA CINC, and sided with the old power center. But recently, this senior officer has stopped engaging in such activities. And looking closely, it can be seen that his relations with Gen Prem go back a long time.

Gen Phichit attended West Point together with Lt Gen Wichit Sukmak, the chief of the Territorial Defense Department. During the time that he attended school in the United States, he and Gen Prem, Lt Gen Wichit, and Col Kasem (surname unknown, is now dead) lived with an American family by the name of Benjamin. Americans called Gen Phichit "Peter." They called Lt Gen Wichit "Sam." Gen Phichit frequently goes to Ban Sisao to exercise with Gen Prem.

Even though he is now just the assistant RTA CINC, Gen Phichit still has a good chance of rising to the top spot in the army. It is thought that after Gen Chawalit retires at the age of 55, there will be a struggle for the top spot between Gen Phichit and Gen Sunthon Khongsomphong, the other assistant RTA CINC.

Police Lt Gen Phao Sarasin, the deputy director-general of the Police Department, is another man who plays an important role in this group. This police officer showed his skills during the period that he served as secretary general of the Office of the Narcotics Control Board (ONCB). He succeeded in greatly reducing the influence of narcotics traffickers.

Besides coming from a well-known business family in Thailand, Police Lt Gen Phao has the confidence of Gen Prem, Gen Prachuap, and Gen Chawalit. This is evident from the fact that on Deputy Phao's birthday, Big Chiu arrived with a large bouquet of flowers for him. After Police Gen Narong Mahanon retires in 1987, Police Lt Gen Phao will almost certainly be appointed director-general of the Police Department in this place.

#### Prasong and the "Small Cabinet"

Sqd Ldr Prasong Sursiri, the secretary general of the prime minister, is another person who is an expert in the intelligence field. Even though he has given up his position as head of the National Security Council to become the secretary general of the prime minister, this does not mean that he is playing any less of a role. Actually, he is playing an even greater role in his present position.

Sqd Idr Prasong is also the chairman of the Committee To Coordinate Activities Based on Government Policy, or the "small cabinet." This has emphasized the role played by the secretary general of the prime minister, because this committee is composed of several senior officials, including the chiefs of staff of the various branches of service. The fact that he has left the bureaucracy to take a political position does not mean that his work in the intelligence field has declined. Actually, the various intelligence centers have been joined together more closely. Besides this, it is said that the present secretary general of the National Security Council, Mr Suwit Sutthanukun, is Sqd Idr Prasong's man.

#### Piya and the Thai CIA

The final member of the "Group of Five" is Mr Piya Chakkaphak, the director of the National Intelligence Office [NIO]. He is a very secretive person who rarely attends parties. His position requires that he act like this. This is because the director of the NIO is the director of the Thai CIA.

After the Department of Central Intelligence was upgraded and transformed into the National Intelligence Office, Director-General Piya was made the director of the NIO. This unit is the government's intelligence tool. It is said that Mr Piya is very close to Gen Prem. At the wedding of Mr Piya's son, Gen Prem presided at the reception.

"He does not belong to a lot of groups. Prem is the one who sees his work. It has to be like this because of the nature of his work. Piya reports directly to Gen Prem, because the NIO is a tool of the government," said an army intelligence officer to SAPDA WICHAN. He also mentioned the role played by Mr Piya on the battlefield.

Mr Piya fought in Laos. At that time, he was the deputy head of Headquarters 333 for civil affairs. Lt Gen Withoon Yasawat, or Thep 333, was the head of this headquarters. Several officers participated in secret activities. That included Gen Chuthai Saengthawip, whose code name was Saen, Gen Han Linanon, Gen Wanchai Ruangtrakun, the army chief of staff, Gen Phichit Kunlawanit, the assistant RAT CINC, and Maj Gen Yutthana Rupkhachon.

The close relationship between Mr Piya and "Peter" was formed when they were in Laos. They still maintain the same close relationship. And something that no one has ever revealed is that Mr Piya's code name in Laos was Wisit.

"Gen Pichit was in the field. Mr Piya was at the headquarters. They have been close to each other ever since they fought in Laos," said the military news source, who fought in Laos, too. He added that in the intelligence field, there is still close coordination between the military and the National Intelligence Office.

As for the NIO, there is a National Intelligence Committee composed of senior government officials and the commanders, chiefs of staff, and assistant chiefs of staff for intelligence of the various branches of service. Besides this, there are also various subcommittees.

After looking at the role played by the "Group of Five," it is probably clear how Gen Prem has managed to maintain his position as leader of the country for so long.

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CSO: 4207/96

PUBLISHER BLAMES PREM LEADERSHIP, FOREIGN CAPITAL FOR FAILURES

Bangkok IAK THAI in Thai 1 Jan 87 p 50

[Speak Thai column by Rattana Yawapraphat: "Calls for a Change of Government"]

[Excerpts] It seems that it is very difficult to find a good government in a democratic system. A new administration may look good, but after awhile, people begin to tire of it. One reason for this is that after receiving much praise, a new administration may forget itself. It may think that it is intrinsically good and may not realize its own limitations. Goodness is like water. If it is stagnant for too long, it will begin to stink. The Prem administration has been in office for 7-8 years now. Even though there have been frequent changes in the cabinet, the head of the government has remained unchanged during this period. And now there are rumors that he plans to remain in office until the end of 1987. Thus, the intermittent calls for a change of administration have come to resemble a stable institution with strong forces.

Yesterday, a major change took place in Vietnam. Several of Vietnam's top leaders stepped down because of their failure to solve the country's economic problems. This has aroused people in Thailand, who want a change in leadership here, too, in order to solve Thailand's economic problems, which are just as severe as those in Vietnam. Our economic problems are even worse than those of Vietnam. This is because our great allies, that is, the United States, Japan, and China, are not sincere about helping us solve our problems. Instead, they are trying to find ways to profit from Thailand. On the other hand, Vietnam's great ally has announced that it will provide huge sums of economic aid to Vietnam during the next 4-5 years.

It is felt that Thailand's democratic government faces various obstacles. The most important obstacle is not the economic problem as is commonly thought or as people have been made to believe. The real obstacle that every Thai administration has faced is the problem of foreign financiers and international capitalists. These people have regularly demanded huge profits. They have even gone so far as to try to involve themselves in political matters and participate in formulating government policy.

Prem Tinsulanon and his cronies have always been the victims and unwitting tools of the foreign financiers and international capitalists. Replacing Prem



and his group may be a stratagem of Thailand's enemies, but it is worth considering. Because Prem and his cronies are still lost in the dreams created by the foreign financiers and international capitalists.

The question is, if we get rid of Prem, whom should we select to replace him? There are many who are prepared to serve as prime minister in a democratic system. But very few could solve the problems facing the Thai people in view of the fact that all of the frontrunners for this position are people who serve the foreign financiers and international capitalists.

The United States, China, Japan, and Vietnam all have people who love their country and who are willing to make sacrifices for their country. But in Thailand, these people are all taking money from foreigners and profiting from foreigners.

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CSO: 4207/96

## THAILAND

### COLUMNIST VIEWS DECLINE IN SOCIAL ACTION PARTY

Bangkok SIAM RAT in Thai 19 Dec 86 p 8

[Fact and Fancy column by "Old Soldier": "The Decline of the Social Action Party"]

[Excerpt] MR [Royal title-FBIS] Khukrit Pramot was the leader of the Social Action Party [SAP] for many years. When he resigned his position as party leader at the end of 1985, the party chose Air Chief Marshal Sitthi Sawetsila to serve as acting party leader. Recently, I and other people have come to realize that the SAP has changed. That is, the party is in a period of decline. It is much weaker now than it was when MR Khukrit was party leader. It has lost popularity both among party members and among people who once supported the party. Even its position in the Prem government, which the SAP has supported and helped prop up, has declined. This is quite clear today. Even though the SAP is still a member of the coalition and still supports the Prem government, it is the No 3 party.

I would like to review the decline of the SAP in order to help clarify what has happened. After MR Khukrit Pramot stepped down as party leader, the government of Gen Prem Tinsulanon, which was supported by the SAP, began taking steps, through the power of the prime minister, to destroy the SAP, particularly a deputy prime minister and certain ministers.

The deputy prime minister and several ministers were forced to give up their positions. As a result of this, the members of the SAP saw the real nature of the government and realized that it was not being honest with the SAP. Thus, members of the party were prepared to topple the government. The deputy leader of the SAP, Mr Buntheng Thongsawat, led the movement to topple the Prem government. When he saw that his position as head of the government was threatened, Gen Prem immediately dissolved parliament. This was tantamount to destroying the SAP, because after parliament was dissolved, the SAP split apart. Some members of the party joined other political parties. Others formed new parties to compete against the SAP.

The acting leader of the SAP was unable to control the party members. This was because he had joined the party only recently. The SAP was founded in 1974, but he did not join officially until 1983, 9 years later. The acting party leader enjoys great prestige in government circles, because he is a close

friend of Gen Prem Tinsulanon, the prime minister. But he does not enjoy sufficient prestige within the SAP. Thus, he has not been able to control matters within the party. This became evident during the general election.

The SAP once had the largest number of MPs. It was the largest party and was feared by the government of Gen Prem. But in the general election held after parliament was dissolved, under the leadership of the acting party leader, the SAP won only 51 seats in the House. The number of SAP MPs dropped by about half. But this was not due to the failure of old SAP members to win election. They won election again, but they won as members of other political parties.

This is sad. Because the people who left the SAP and formed new parties to compete against the SAP are none other than old stalwarts of the SAP. These include Mr Buntheng Thongsawat, Mr Bunchu Rotchanasathian, Mr Narong Wongwan, and Mr Prida Phattanathabut. These people are all MPs who had been with the SAP for many years. They had all been with the party much longer than the present acting party leader.

Not only were Mr Buntheng Thongsawat, the leader of the United Democracy Party, and Mr Bunchu Rotchanasathian senior members of the SAP, but they had helped MR Khukrit Pramot establish the SAP. Now that senior party members have been forced out of the party, junior members will definitely follow their lead. Because there is little future in remaining in the SAP. Now that the SAP is in a state of decline, the party is of little significance to the government. Whenever the government wants to get rid of an SAP minister or wants to tarnish the reputation of the party, it joins together with an opposition party and urges that party to do this and that. The SAP has to put up with everything just so that it can remain in the government coalition.

Police Cpt Surat Osathanukhro became deputy party leader during the period that MR Khukrit was party leader. But when he was appointed minister of commerce ahead of other party members, they attacked him and finally forced him to resign so that some other member could be appointed minister in his place.

To me, this shows the decline of the party. Because members of a political party must struggle to build up the prestige of the party and the people in the party. But just the opposite happened in the case of Police Cpt Surat Osathanukhro. When opposition parties began attacking Police Cpt Surat, the other parties in the coalition government joined with the opposition in attacking him. Even though the SAP did not participate in attacking him directly, they participated in spirit. Because after the deputy party leader came under attack, the acting party leader, another deputy party leader, and the party secretary general, all of whom serve in the government as ministers, failed to take any action at all even though they had the right and the power to oppose this. How could the SAP not decline!

I am not at all sure whether the decline of the SAP under the leadership of the present acting party leader has come to an end. There is nothing to show that this decline will not continue. Thus, I was very happy to hear that the SAP plans to hold a plenum to elect a real party leader in place of the present acting party leader. I love the SAP. I don't want to see it decline

any further. I would like to ask party members to be patient a while longer. The situation may improve after the election of a new party leader. At the same time, I realize that Air Chief Marshal Sitthi Sawetsila, the present acting party leader, could be elected party leader at this party plenum.

Not only does the country lack people like MR Khukrit to head the country, but the political parties, particularly the SAP, lack people qualified to serve as party leader. This is the fate of the SAP, and there does not seem to be any way to help.

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COMMUNIST LEADER SURACHAI SAE DAN TALKS ON CPT PROSPECTS

Bangkok KHAO PHILSET in Thai 22-28 Dec 86 pp 30-33

[Interview with Surachai Sae Dan; date and place not specified]

[Text] [Question] How do you feel now that your sentence has been commuted by the king?

[Answer] I am very grateful to the king. Neither I nor my family will ever forget his great kindness. If I regain my freedom, I am determined to carry out acts of merit to show my gratitude to the king. I will travel from Bangkok to Nakhon Sithammarat in order to donate money to the poor and elderly in Ban Bang Khe. After that, I will become a monk in Nakhon Sithammarat in order to repay the kindness shown by the king and to make merit for my parents, who died while I was in the jungle, and my son, who died while I was in prison. After I disrobe, I will join with all of those who love peace in order to help bring about real peace in the country. That has been my intention ever since I left the jungle and was arrested.

These are the things that I plan to do. And even if I should have to remain in prison, I am determined to do good deeds to show my gratitude to our king.

[Question] If you regain your freedom, will you play politics?

[Answer] In my view, politics is not something that you "play." To me, politics refers to life. It is a part of life. Life consists of two parts, that is, economic life and political life, or political rights and freedoms. If a person has economic life but no political life, he will be a slave with no rights or freedoms, not even physical freedom. That slave eats, defecates, and produces children. Physically, he is a human being. But he does not have any rights. Everything is dictated by his master. The master can beat or even kill him. He is not free to live his life as he chooses based on human rights principles. Slaves are the same as buffaloes.

Thus, in my view, politics is something about which everyone must be concerned. We must all wage a political struggle. Politics concerns everyone. Politics does not refer just to those who run for office or who belong to a political party.

[Question] Would you tell us what your life has been like since you were arrested, particularly about life in prison?

[Answer] All right. It began when lieutenant governors Winai Lokpradit and Lap Lapchurat took Governor Sanong Rotphothong's car and drove to a village in Wiang Sa Subdistrict, Wiang Sa District, Surat Thani Province, in order to take me and some others to the governor's residence on 28 June 1981. My safety had been guaranteed by the provincial governor. But on the morning of 29 June 1981, soldiers surrounded the governor's residence and arrested me. After that, I was flown to the Bang Khen Police School. I was kept in isolation and not allowed to have visitors for 8 months. Things improved after I was placed under the control of corrections officials.

In May 1982 I was transferred and placed in an isolation cell at Bang Khwang. But I was not kept in isolation. During the daytime, I was allowed out of the cell. The Department of Corrections gave me a Thanin AM/FM radio. I was guarded closely 24 hours a day. As for food, Commander Sawat Sansoen saw to it that I received an extra two bags of food a day and 20 eggs a month, because the prison food is very bad. We call it "pig swill," because it is practically inedible. But in general, prison officials treated us all right.

In October 1983 I was convicted of "burning a public building." That month, I felt as if I had been hit by a variety of problems, beginning with my conviction on this charge. And then my son was killed. He was electrocuted at a public telephone booth. In addition, people who had once given me encouragement severed relations with me.

As for working in the prison, prison officials did not make me do any work. But I tried to help with a few things such as cleaning up, making electrical repairs, and repairing radios and televisions. Sometimes I grew vegetables and raised a few chickens. Occasionally, officials gave me books to read. But most news came from the radio, because officials prohibit newspapers from being brought into the prison. Most of the books that I borrowed from the prison library concerned religious teachings.

As for the various charges against me, I would like to say frankly that those were political charges. They concerned government policy. I am sure that the government knows whether I did anything wrong. But as for the charge that I robbed that train, I never dreamed that I would be sentenced to death. There just wasn't sufficient evidence. I am referring to the death of Police Cpt Sawai Phonchana, who was shot in the back of the head with an M-16 or HK-33. It was Police Maj Wichit Sukwisit, the chief inspector at the provincial police station in Wiang Sa District who performed the autopsy and who testified as a witness for the prosecution. Other witnesses, both prosecution and defense witnesses, testified that I had not been carrying a gun but rather a megaphone. Only one witness said that I was the one who had pulled out a gun and shot Police Cpt Sawai and that was the wife of Police Cpt Sawai. I think that I was sentenced to death on the basis of her testimony alone.

After I was sentenced to death, I was transferred and separated from those who had been sentenced to 10 years in prison on communist charges. They were imprisoned in the same place as before. But I was moved to death row. I was

prisoner No 310 on death row. I was kept in chains all the time. I no longer received the special packages of food. Without the help of friends, you have to put up with the "pig swill." Life there was very difficult, because I was confined to the cell. But I was not lonely like I had been in solitary confinement. We could take a bath in the morning, at noon, or in the afternoon. Belongings and utensils were very limited. To cut food, I had to use the lid of a can. I used a milk can for a mortar and a Liphobottle for a pestle. I had someone purchase some food for me at the prison's welfare store. Prisoners call this the "put-your-luck" store, because they charge so much. For example, 11 cowpeas cost 7 baht. Two lemons and 30 fresh peppers cost 7 baht. Vegetable oil costs 40 baht a bottle. They sell this by the bag.

Mr Thongbai Thongbao once wrote an article about the food here and this shop in the column "The Suffering of the People," which appears in SIAM RAT. But just like throwing a stone into the ocean, this had no effect. The prisoners did not dare protest. The last time there was a prison riot, 10 prisoners were killed. That was a lesson that other prisoners have not forgotten.

Three days after I was placed on death row, three prisoners were taken and executed by firing squad. I thought that they had done that to scare me. Because it had been several years since they had executed anyone. By chance they did so just after I had been placed on death row. I tried to learn if they were going to execute me in the near future. I heard that the Nakhon Sithammarat provincial administrative headquarters had been bombed. That was linked to me. Thus, I didn't think I had a chance. Deep down, I was sure that I was going to die. Thus, I tried to prepare myself. But I continued to hope. I had faith in the mercy of the king and hoped that he would grant me amnesty. Finally, my hopes came true. That was 8 months and 4 days after I submitted an appeal for amnesty.

On the night of 1 Dec 1986, just before I went to bed, another inmate who had purchased food for me shouted, "Surachai has had his sentence commuted to life in prison." I was very surprised. I didn't believe it. I thought that he was playing a trick. Then several other prisoners came and told me the same thing and so I began to believe that this was true. Later on, I heard the reports on the radio. The next afternoon, my son came and told me. Mr Thongbai Thongpao and Mr Ahmat Khamthetthong came to see me. They told me what had happened and expressed congratulations. Throughout the day, fellow prisoners and officials came to say congratulations. I was elated.

[Question] Was there a ceremony to read the royal command?

[Answer] Yes. On 2 December, prison officials held a special ceremony in order to read the royal command. The prison warden officiated at the ceremony. I learned that the prison had never held such a ceremony for a person on death row. After that, they removed the chains and moved me from death row to a cell for ordinary prisoners.

I learned that the commuting of my sentence had been reported on the radio and television and in the newspapers. I consider this a great honor and want to express my thanks to the government and the mass media for carrying on public relations activities concerning the mercy of the king. As a result, my

relatives and friends in various places learned of this. They were overwhelmed by the great mercy of the king.

[Question] Do you still deny burning the public building and robbing the train?

[Answer] Yes. That is just not true. I am a fighter, a politician. When I make a mistake, I admit it. Those two matters did not involve criminals or bandits. But I can't confess to something that is not true. I am not a hotheaded youth. Why would I burn down a public building in front of hundreds of people who know me? The people in Nakhon Sithammarat know the truth about this.

As for the train robbery, I have never denied that I was involved in that. I had been assigned the task of spreading propaganda. That day, about a thousand people stopped to listen to me. I was a speaker, a propagandist at that time. I did not kill or rob people. But saying any more will not be good as far as my freedom is concerned. If I say too much, someone might get upset.

[Question] What do you think the future holds for the Communist Party of Thailand (CPT)?

[Answer] I was with the CPT for only a short period, from 6 September 1976 to 29 June 1981. I worked with the party for only 4 years. Actually, I am in their debt. Because during that terrible period in which I had to flee, they gave me a very warm welcome. After I was asked to serve as the local representative in holding peace talks with the government side and was arrested, I repaid their kindness by not betraying them. I don't think that anyone can despise me for this. I do not want to comment on the mistakes that the CPT has made. Because if the CPT still wants to be the representative of the new historical period, it will have to cast aside what is wrong and do what is right. I am talking about principles.

I don't know what condition the CPT is in today, because I have been in prison for so long. Many things have changed. But in general, as long as the Anti-Communist Act is still in effect, I don't think that the communist problem will go away. It is this act that is at the root of the problem. It is this act that led to the birth of the communist movement and the people's war. This act forced thousands of democratic people, including myself, to become communists. And tens of thousands of innocent farmers who were politically neutral were forced to flee into the jungle and fight against the government.

I feel that the situation is much different today. The government should take steps to rectify this historical mistake. It is impossible to suppress the communists completely using this act. Besides the fact that this is impossible, it will just be a long-term factor working against the government. The government has succeeded in putting a stop to the CPT's armed struggle. But I am sure that the government realizes that this is just a temporary halt in the fighting. It is not a permanent halt. Several army leaders have expressed concern about this. Moreover, this halt in the armed struggle is not the result of the Anti-Communist Act. Rather, this resulted because of certain policies. But when the situation changes and these policies are no longer in accord with the situation, the violence will start up again. The situation in



the Philippines is a good example. There are still many factors in Thailand that could lead to fighting again. This includes the lack of political democracy, the economic poverty of the people, and the lack of social justice. These are the immediate problems that the government must solve. The government should implement a policy of improving things instead of trying to suppress people. It should use the money earmarked for suppressing the communists to improve things and solve the nation's immediate problems. If it does, I am confident that the communist problem and the killing in the country will end. No one will oppose the government if they have a good standard of living.

I hope that my frank remarks about the communist problem do not offend government officials or senior people. I have made these remarks with pure intentions and have not taken anyone's side. I have made these remarks independent of my experiences as a person who had to flee into the jungle and become a communist. My hope is that the government will solve the problems and thereby bring about lasting peace in the country.

As for the question of the CPT's future, my personal view is that the CPT's leadership organization is still functioning. I don't think that government Order 66/23 has had much of an effect on the leadership organization. All it has done is reduce the number of lower-ranking party personnel. But an increase or decrease in the number of party members will not determine the survival of the party. As long as the party's leadership organization is still firmly united and the political, economic, and social factors of the revolution still exist, the CPT will be able to grow again.

In my view, the situation is again becoming more favorable to the CPT. For example, the crisis of confidence is beginning to abate, and the split among the socialist countries is beginning to heal. The uncertainty within the socialist camp about how to improve the standard of living is fading as a result of the application of various methods by the socialist countries. What is most important for Thailand is that none of the political parties in parliament can offer the people any hope that the nation's problems will be solved. It seems that the choices open to the people are becoming more and more limited and that their only choices are the "pure powers-CPT or scattered democratic forces." As a result of their weaknesses, the large political parties in parliament have destroyed the confidence that the people once had in them. This cannot be separated from the survival of the CPT.

[Question] What is your view on Order 66/23?

[Answer] Order 66/23 is in accord with the present situation only. It has had only tactical results. I don't think that it can solve the country's problems. And I don't think that it provides any guarantee of security to those who have surrendered to the government. This is because Order 66/23 is just a policy. It is not a law. Many of those who surrendered in accord with this policy have had charges filed against them, with officials claiming that "this is just a policy, not a law, and so we can file charges." In many cases, officials have not filed communist charges but rather criminal charges against these people in order to erase their image as political prisoners.

I was arrested and charged with these crimes because I refused to surrender. I did not refuse to surrender because I wanted to show off or fight the government. I refused because I was then a "peace envoy" who had come at the invitation of the government. The objective was to find a way to end the killing among Thai at a time when the "fire around our home" was spreading. I was assigned this task by the CPT, Surat Thani Zone, with the approval of Comrade Prawat, the then general secretary of the Southern Committee. Thus, I had no other choice when the government asked me to "surrender" in exchange for acting in accord with Order 66/23. I did not want to be condemned for being dishonest and cowardly. If I had been captured in an ordinary manner like others, I would probably have accepted the government's conditions a long time ago and not suffered in prison like this.

I would like to give you an example. If the Thai government made me an envoy and sent me to negotiate with an enemy country and that country arrested me when I arrived there for negotiations and tried to get me to betray Thailand, what would I do? I think that everyone knows the answer. Everyone knows what a person in such a situation should do. I was not in that situation. But as far as personal honor and honesty are concerned, there is little difference. I don't want to be in prison. But I could not live with myself if I had acted any differently. Even though I am not a highly educated man, I consider myself to be a person of quality. If the government wants to make use of me, it doesn't have to make threats or kill me politically. It doesn't have to destroy my honor and then use my corpse. I would be glad to cooperate and support the government in doing what is right and legal in the interest of the entire country.

[Question] Is there anything about which you would like to appeal to the government concerning prison conditions?

[Answer] I would like to ask government officials to consider the following:

First, the prison is extremely crowded. The prisoners are like fish in a can. At night, each person has only a very limited amount of space in which to sleep. Prisoners can hardly move. The Bang Khwang Prison has a capacity for about 4,000 inmates. But today approximately 7,000 prisoners are incarcerated here. The government has not granted amnesty to prisoners who have conducted themselves properly and who have been here more than 5 years.

Second, the quality of the food here is very bad. This is something that has been ignored for a long time. This is not because there are insufficient funds. It's a matter of negligence.

Third, prices at the Prisoner Welfare Store are much too high. The store is taking advantage of the prisoners. I would also like to ask officials to relax the regulations on visits by relatives.

[Question] Is there anything else that you would like to say?

[Answer] I would like to take this opportunity to express my thanks to my relatives and friends and to all the other people both here and abroad who have taken an interest in my case and submitted petitions to the government or

king asking that I be granted amnesty. I am sincerely grateful to all of these people. It will soon be 1987. This is a very auspicious year, because the king will turn 60 years old this year. And so on this occasion, I would like to wish everyone a happy New Year in advance. I hope that everyone encounters good fortune during the coming year. I hope that everyone will join together in offering blessings to the king. I wish the king much happiness and long life.

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WRITER ON COMMUNISM'S APPEAL, CLASS STRUGGLE

Bangkok SIAM RAT in Thai 10 Nov 86 p 9

[Article by Dr Narong Chiriyawithayanon: "Dear Communists"]

[Excerpt] The military is again talking about the communist threat. I don't know if they are raising the communist specter in an effort to increase the military's budget or in an attempt to regain some of the power that they have lost. What is certain is that the elite, the powerholders, and those with prestige fear communism, because communism would destroy their power, affect their interests, and take away their advantageous position in society. But at the same time, these groups are still very concerned about and jealous of communism, because they use communism as a tool to get what they want. They use the communist threat as a cover to preserve their advantageous position in society.

The common people, who are demanding and seeking social justice and who are trying to escape oppression and keep from being exploited, are not afraid of communism at all. But they are not enamored with communism either. All they want is a mildly socialist system. When people are oppressed and exploited, they have to demand a socialist system. But if there is social equality, the people will support capitalism. If socialism and capitalism balance each other, there will be security and justice in society.

Psychologically, there is no way that the Thai people could become communists. The Thai people will not overthrow the monarchy or give up their religion. However, people in the middle and lower classes want to see greater equality in society. The people with power and prestige, or the elite, such as government officials, soldiers, policemen, state enterprise officials, financiers, and other influential people, must stop oppressing and exploiting the people. And they must not use the people for their own benefit as is the case today.

Communism has both good points and bad points. The strengths of communism or socialism should be used to help bring about social justice. People must not "love" communism as a means of promoting their own interests or gaining an advantage over others.

I would like to ask readers to compare groups to see how equal the groups are and to see which groups are trying to promote social justice and equality, which groups are citing the communist threat as a cover in order to promote dictatorship and exploit the people, and which groups fear and do not fear communism or socialism. A very important question is, if the exploiters stop exploiting people, would this put an end to communism's appeal?

If we divide the Thai people based on how they feel about communism or socialism and their attitude toward social justice, we can divide them into two groups:

1. The bosses and powerholders. This group is composed of:

Government officials and state enterprise officials.

Merchants, middlemen, and financiers.

Influential people.

2. The common people.

Those in group 1 are the people who are afraid of communism or socialism. Because if there was justice and equality in society, those in group 1 would lose their advantage over those in group 2.

There are about 5 million people in group 1 (out of a total population of 52 million people). The people in this group enjoy special privileges, and they have much greater wealth, prestige, and power than all of those in group 2 put together (approximately 47 million people). Those in group 1 have power and influence over those in group 2 in almost every sphere, including the economic, social, domestic affairs, and political spheres and even life and death. Those in group 1 enjoy a much higher standard of living and much more comfortable life than do those in group 2.

The following are some of the differences, or gaps, between the two groups that are quite clear and that are mentioned frequently:

1. Government officials receive monthly salaries. They don't have to work on holidays and yet they are still paid. They are paid even if they are absent because they have business to attend to, they are sick, or they take a vacation. Regardless of whether there is drought or flooding or crops and livestock die, they are still paid their salaries. There are even two steps. When they resign or retire, they continue to be paid. This is not the case for common people.

2. Some government officials, such as soldiers, enjoy special privileges not granted even to other government officials. They are promoted regularly. There are many generals who have done very little militarily. And there are very few generals who are not wealthy. The soldiers have frequently used their special privileges and the tanks and weapons purchased by the people for use in defending the country to kill each other and compete for power. There is a huge secret budget. No one knows what the money is used for.

3. Government officials in general enjoy special privileges. For example, they are entitled to free medical treatment, they pay reduced fares when traveling, they pay reduced rates for electricity and water, and school tuition fees for their children are reduced. When they travel on official business, they are reimbursed for their expenses. Some units pay the officials an annual allowance that is equal to their salaries. But common people have to pay all their expenses themselves, and they have to pay the full amount.

4. The influential people use their influence to elevate both themselves and their friends. For example:

They use their influence to oppress the people.

They use their influence to fell trees and destroy the forests.

They use their financial influence to apply economic and trade pressures to get what they want.

They use their financial influence to get out of trouble, to hire gunmen to kill other people, to have innocent people branded as criminals, and to enable underlings who have committed a crime to go free.

They use their financial influence to buy various positions such as MP or even minister.

They use their influence to conceal crimes and illegal activities.

They use their financial influence to enrich their children even though their children are stupid and lazy. As for poor people, no matter how intelligent or diligent they are, they remain poor forever.

5. Merchants, middlemen, and financiers have one goal in mind and that is to make as much money as possible even if they have to exploit or cheat people. The wages paid the workers and the prices paid to the farmers for their produce are low, because it is the merchants, middlemen, and financiers who set the wages and prices. And they can set them at any level they want. The people work very hard, but they are paid very little. Most of the money goes to the merchants and middlemen.

6. The great majority of the people live in rural areas. They lack various conveniences such as roads, [piped] water, electricity, means of communications, and various other conveniences. But those in the cities enjoy every convenience imaginable. The government has shown little interest in bringing these conveniences to the people in the rural areas. All it has done is talk about this and posture. It probably won't do anything to end the poverty and suffering. Only very small sums of money have been budgeted for rural development and for bringing these conveniences to the rural areas. It will probably be decades before such conveniences are common in the rural areas. Instead, great importance is attached to urban development. Most of the money is spent on developing the bureaucracy. Even the secret budget is greater than the rural development budget.

From the differences, or gaps, between the two groups discussed above, it is clear that the group that benefits and that enjoys these special privileges wants to see things continue on as they are today even though this means that the common people must continue to suffer. Those in the privileged group have no desire to see the disadvantaged reach their level, because that would put an end to their advantages.

For these reasons, those in group 1 have to cite the communist threat as a cover in order to terrify the people and prevent them from making demands. And at the same time, this gives them the advantage, and they make great profits from the people.

Thus, communism is a word that these people love and of which they are very jealous. They will use this as a tool to profit and to maintain their advantage over the people as long as possible.

Actually, the Thai people do not want to become communists. They want to keep their religion and the monarchy. But they also want social equality and justice. They don't want to be exploited. The social status of the poor majority must be elevated. And the present structure, which permits people to be exploited, must be changed in order to help promote greater equality or reduce the present gap between people.

When people are exploited, oppressed, and deprived of their rights, they will struggle for freedom and search for justice. It may even reach the point where they rebel. We had an example of this during the period of despotism.

The way to avoid this is for the people in group 1 to change the structure so that they do not exploit the people. They must change their views and be resolved not to exploit the people any more. Those in group 1 must share the wealth and help enable the people in group 2 to enjoy the same things that they enjoy, or at least reduce the gap. They must stop citing the communist threat as a cover to exploit the people. If they do these things, there will be no need to worry about a communist takeover.

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## THAILAND

### NONG KHAI GOVERNOR, SAIYUT COMMENT ON LAO, INDOCHINA TRADE

Bangkok SIAM RAT in Thai 18 Dec 86 pp 1, 16

[Unattributed report: "Thai-Lao Border Stirs, Support for Expanding Trade with Indochina"]

[Text] The border provinces are making preparations to continue improving Thai-Lao relations. Several other types of sporting events will be held. Merchants are excited about expanding trade. An advisor to the prime minister supports expanding trade with Indochina.

In the wake of the successful talks on Thai-Lao relations at the end of last month, Laos sent a theatrical troupe to perform in Thailand. On 17 December, this theatrical troupe gave a performance at the Chiang Mai College of Drama. A large crowd turned out to see the performance.

Mr Santi Manikan, the governor of Nong Khai Province, told SIAM RAT that the province plans to strengthen relations with Laos even more on the sports and theatrical fronts. In the near future, three sporting events will be organized in order to help strengthen relations. That is, soccer, volleyball, and basketball matches will be held. Also, the Lao theatrical troupe, which is presently performing in Thailand, will be asked to come give a performance in Nong Khai Province on 9 December [as published].

The Thai government now permits merchants to sell goods worth up to 30,000 baht per shipment to Laos. The governor of Nong Khai Province said that this decision has made the people of Nong Khai very happy. But that will not help enliven the atmosphere, because this trade with Laos is private-sector-to-government trade, not private-sector-to-private-sector trade, which is difficult to carry on between the socialist world and the Free World. To date, two border transit points have been opened.

"Things will take time. We will probably begin to see results after the negotiations. Thailand and Laos will hold another round of negotiations in Bangkok sometime after the beginning of the new year. This is because the Lao delegation does not have time right now," said the governor of Nong Khai Province.



The governor of Nong Khai Province expressed support for expanding trade with Indochina. This will depend on policy deliberations at the top level. "If trade activities with Laos proceed satisfactorily, Thailand should start trading with the other Indochina countries, too."

Gen Saiyut Koetphon, an advisor to the prime minister and the former supreme commander, told SIAM RAT that trade relations with Laos must be built step by step and kept within suitable bounds. It is essential to determine how sincere Laos is.

"I am not worried about relaxing tensions with Laos. I regard this as a chance to help each other as close neighbors. But there are many people who are worried that Laos will send troops and supplies to other countries. That is, they worry that Laos will serve as a bridge to important people in the rear," said Gen Saiyut.

Gen Saiyut supports having Thailand open trade relations with other countries in Indochina. He does not feel that we would lose anything by doing this. In particular, selling consumer goods such as clothing, food, cigarettes, and tobacco will help Thailand's economy.

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CSO: 4207/106

DR CHAI-ANAN EXAMINES 'DEMOCRATIC SOLDIERS' CAMBODIA STANCE

Bangkok NAM THANG in Thai 24-30 Nov 86 pp 21, 22

[Article by Dr Chai-anan Samutwanit: "Young Turks and Democratic Soldiers: Democratic Soldiers Have Come Under Strong Attack for Supporting Vietnam's Occupation of Cambodia"]

[Excerpt] Statement No 6 of 19 May 1979 on what to do about the Cambodian refugees and soldiers who had crossed into Thailand discussed this topic in relation to a another issue, that is, Thai neutrality. It was proposed that Thailand take steps to convene an international conference in order to ensure Thailand's neutrality.

Following that, the Democratic Soldiers issued two more statements. One discussed the issue of neutrality, discussing what it means to be neutral and explaining the advantages of neutrality. The other statement discussed the matter of holding an international conference. It said that until Thailand's neutrality has been officially recognized by the world community, Thailand will not be able to implement a neutral policy and will not be able to avoid supporting this or that side.

The fact that the Democratic Soldiers presented their views on the neutrality issue is fine. But their proposal was based on reasons that are still unclear. Why did the Democratic Soldiers call for discussing the conflict in Cambodia based on the principles of international socialism, which serve to protect the socialist states, instead of discussing this based on the principles of the United Nations, which feels that military aggression by one country (Vietnam) against another country is wrong?

The fact that the Democratic Soldiers proposed accepting the principle of protecting the socialist states was tantamount to accepting Vietnam's idea that Cambodia is part of the socialist federation, with Vietnam being the main power, and that the other countries in Indochina, that is, Laos and Cambodia, are socialist states under the protection of Vietnam.

As a result, the views of the Democratic Soldiers on the Indochina War came under strong criticism. People said that they were supporting Vietnam's policy and that they were trying to exert pressure on the Thai government to implement a policy that would facilitate the spread of Vietnamese influence.

Because besides the views expressed in their statements, articles appearing in TAWAN MAI systematically supported these views.

This can be seen from the articles on democracy. Initially, they discussed democracy. But later on, they wrote about the war in Indochina, with their views mirroring those presented in the statements and explanations. Prasoet Sapsunthon wrote an article in TAWAN MAI entitled "Communist Countries Are Beneficial to Thailand." He went into great detail about the communist countries' policy of peaceful coexistence with the Free World countries. The article tried to provide guidance by providing data and presenting ideas in support of having Thailand implement an independent foreign policy.

During the period that the Democratic Soldiers and Prasoet Sapsunthon were presenting their ideas on the war in Indochina, a book, which did not mention the name of the author or tell where the book was published, was distributed to people interested in politics and sold at various book stalls. The title of this book was "Why Fight and For Whom Is the War Being Fought?" In one section of the book, the author wrote:

"The Socialist Republic of Vietnam has sent forces into Cambodia to help the Kampuchean National United Front for National Salvation [KNUFNS], which is headed by Heng Samrin, topple the criminal Pol Pot-Ieng Sary government. It has done so in order to protect the socialist system in Cambodia. ...the KNUFNS headed by Heng Samrin and his men, who once worked with the Pol Pot-Ieng Sary group, has seized administrative power from the Pol Pot-Ieng Sary group with the support of Vietnam. Vietnam's objective in providing this help is to protect socialism, which is its sacred international duty.

"Socialist countries can engage in such behavior only with other socialist countries. Countries outside the socialist system can be governed by any type of system. The system used in those countries and the degree to which the people in those countries are oppressed are internal matters that do not concern the socialist countries. There is to be peaceful coexistence with these countries based on the teachings of Lenin, the great socialist thinker, until these countries change of their own accord, which is inevitable based on the law of socialist development, to which there are no exceptions."

This book also stated that "this revolution was not an invasion. Rather, its purpose was to defend socialist rule and this young socialist country."

Other sections of the book praised the role of the Soviet Union. For example, pages 57-59 discussed the great power of the Soviet Union. It stated that "this great power will be used to guarantee world peace, not to threaten the world." In the section from pages 73 to 82, the writer attacked the People's Republic of China, saying that it wanted to gain world hegemony. To this end, it has formulated a plan to have the United States and the Soviet Union, the two great powers, clash and go to war against other.

The book also said that Beijing has systematically spread propaganda to the effect that "Vietnam plans to attack Thailand." China will benefit if Thailand and Vietnam go to war against each other. That would weaken the Thai military and give the forces of the Communist Party of Thailand a chance to grow

stronger (by relying on support from Chinese troops and by using war factors to mobilize the masses) and seize state power or participate in a coalition government. In summary, this book pointed out that China wants to expand its power and dominate Thailand using the conflict between Thailand and Vietnam as the starting point.

In his article "Communist Countries Are Beneficial to Thailand," Prasoet Sapsunthon raised the same issue that was discussed on pages 277-284 of the book "Why Fight and For Whom Is the War Being Fought." The following is an example:

"If war breaks out between Thailand and Vietnam, this could easily lead to a world war.... There will be a world war if the United States and the Soviet Union go to war against each other.... If Thailand and Vietnam get into a war, the United States may decide not to help Thailand or may decide to provide only money and weapons and just a few troops. But it may not be willing to go to war against the Soviet Union. China, on the other hand, will definitely do everything it can to help, including sending troops. If China sends troops into Thailand to fight the Vietnamese, Thailand will definitely go communist."

It can be seen that the views on the Indochina War expressed in statements 3, 4, and 6 and in explanations 2 and 3 are very similar to those voiced in Prasoet Sapsunthon's article "Communist Countries Are Beneficial to Thailand," which appeared in TAWAN MAI, and to the views expressed in the book "Why Fight and for Whom Is the War Being Fought."

The views expressed in the book "Why Fight and for Whom Is the War Being Fought" oppose the role of the People's Republic of China. But it praises the role of the Soviet Union and takes a friendly attitude toward the Soviet Union. The statements of the Democratic Soldiers stress the nation's interests and do not side with any group. However, the statements of the Democratic Soldiers, the article by Prasoet Sapsunthon, and the book all share the view that Vietnam's attack on Cambodia was not an invasion but rather an attempt to protect the socialist system of a socialist state.

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CSO: 4207/91

CHAWALIT SPOUSE COMMENTS ON CONCERNS FOR HIM

Bangkok SIAM RAT in Thai 25 Dec 86 p 11

[Unattributed report: "Big Chiu's Wife Does Not Believe Fortune Tellers, Says 'Have Already Had a Wonderful Life'"]

[Excerpts] The wife of Big Chiu said that she does not believe fortune tellers. You can't change fate. They have already had a wonderful life. She is concerned about her husband and fears the dark influences.

At 1100 hours on 23 December 1986, the Association of Army Wives, the president of which is Lady Phankhrua Yongchaiyut, held a flower sale to raise money for the Mae Fa Luang Foundation and to present a donation on the occasion of the king's 60th birthday next year. This fund-raising event was held on the first floor of the Mabunkhrong Trade Center.

When they were able, reporters surrounded her and asked her how she felt about the fact that a Chinese astrologer from Hong Kong has predicted that Big Chiu will rise to a higher position next year. Lady Phankhrua smiled and said that that would be a great honor for the family. But actually, that would not make her happy. And she does not believe the predictions of astrologers.

"I don't need anything more. I am satisfied with what I have. Our family is already very happy, because we love each other. We don't need anything else. I am concerned, too. I am afraid that my husband will fall victim to the dark powers because of a conflict of interests. I am afraid of losing the man I love. I am always thinking about what I can do to help. I will do whatever I can. I am completely satisfied with what I have today."

A reporter asked her if she goes to fortune tellers to have her fortune told. She nodded but said that she does not believe them and does not go very often.

"Before I got married, a fortune teller predicted that I would marry a soldier. After I got married, I went to have my fortune told quite often. I began consulting this fortune teller even before my husband became RTA CINC. But I don't think that people should put too much trust in such predictions. We should have faith in ourselves. But if a fortune teller says that something will befall us, I think that we should listen and be careful."

Lady Phankhrua also said that we can't resist fate. Regardless of what is going to happen, we can't prevent it from happening. We should just be content with what we have.

"Actually, what happened during the kathin trip to Los Angeles was not my fault. My only intention was to make merit. I was very upset by what happened, because it affected my reputation. People have been very sympathetic. But they can't do anything to help me. People who do not know me are probably unhappy. I have engaged in many merit-making activities. What will happen will happen," said Lady Phankhrua calmly about an event that is still troubling her.

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CSO: 4207/106

EX-PREMIER THANOM'S SON, NOW AIR VICE MARSHAL PROFILED

Bangkok MATICHON SUT SAPDA in Thai 28 Dec 86 p 15

[MATICHON Profile column: "Air Vice Marshal Yutthaphong Kittikhachon, the Inspector General of the Air Force"]

[Text] He was born on 25 June 1939 at a house near Wat Thewaratchakunchon Thewet. He is fourth child of Field Marshal Thanom and Lady Chongkon Kittikhachon. He attended grades 1-4 at Thewet Suksa School. He attended grades 5-7 at Wat Benchamabophit School and grades 8-10 at Suan Kulap School. He then attended Chulachomklao Royal Military Academy [CRMA] for 2 years. After that, he won a scholarship to attend the Sandhurst Royal Military College in England, where he studied for 3 years. He also attended a military school in the United States for 2 years before returning to begin his military career in Thailand.

He served with the 1st Battalion of the King's Guard Engineers Regiment for 2 years. He then took flight training at the Flight Training School in 1963. He was assigned to an air unit in 1964. In 1967 he attended the Army Command and General Staff college. After graduating, he was stationed in Korea. He returned to Thailand in 1971. He was then transferred to the air force and made the head of the Air Transport Section, Tactical Air Command. He then served as the leader of Squadron 61, the deputy head of the Flight Safety Section, Tactical Air Command, and head of the Flight Safety Section, Tactical Air Command. After the Tactical Air Command was disbanded, he was transferred to the Office of the Inspector General, where he served as head of the Flight Safety Section. He then served as deputy inspector general for 3 years. On 1 October 1986 he was appointed inspector general.

He is a flight expert. Every time that there is an aircraft accident, he is responsible for investigating the cause of the accident. When an air force helicopter crashed in the middle of the Thawasukri soccer field on 14 December, Air Vice Marshal Yutthaphong was responsible for determining why the engine failed in mid-air. Lt Suchom Fakthong was killed and Squadron Leader Watthanachai Amphunan, the 1st pilot, suffered serious head injuries

and both legs had to be amputated. Flight Sergeant First Class Kietti Panyai, the mechanic, suffered a broken backbone. This was a serious accident in which the 2d Wing at Lopburi lost several men. The investigation into the cause of this accident got underway on 15 December.

He is married to Mrs Thipphaya Phamonmontri. They have one son and two daughters.

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CSO: 4207/96



FOREIGN MINISTRY ECONOMICS OFFICIAL DANAI PROFILED

Bangkok DAILY NEWS in Thai 8 Dec 86 p 5

[DAILY NEWS SQUARE column by Nanthana: "Danai Dulalampha, Reports From Laos"]

[Text] During the past 2-3 days, there have been reports that Mr Phisan Mulasatsathon, the under secretary of interior, sent a note to MR [royal title--FBIS] Kasemsamoson Kasemsi, the under secretary of foreign affairs, stating that the director-general of the Economic Department, Mr Danai Dulalampha, had made inappropriate remarks about Mr Somphon Klinphongsa, the deputy under secretary of interior, in front of a large number of people at a banquet in Laos. His remarks were printed in the newspapers.

Today, I would like to profile Mr Danai Dulalampha, the former deputy under secretary of commerce and the present director-general of the Economic Department, Ministry of Foreign Affairs, who is in the news today.

Director-General Danai, who was transferred from the Department of Foreign Trade, is 50 years old. He was born on 16 July 1936 in Trat Province. He is the second of the four children of Police Maj Gen Mora Dulalampha and Mrs Krachangchit. He attended primary school at the Darun Daruni School and then transferred to Bangkok Christian School, where he completed lower secondary school. He then studied in England for 3 years. Following that, he attended the university in Wales, where he earned his bachelor's degree in economics. He returned to Thailand and went to work in the Department of Foreign Cooperation. The people who served as director-general during the time that he was there were Mr Bunchana Atthakon, who became well-known during the period that he served in the Customs Department, and Police Maj Gen Atthasit Sitthisunthon. Mr Danai was an economist, second class, but worked there only 8 months before resigning to become the personnel manager for the Shell Oil Company. After 2 years, he decided that he didn't want to be a slave to foreigners and so he resigned and went to work at the Department of Foreign Cooperation again. He earned his master's degree in public administration from Harvard University in the United States.

During the period that Bunchana Atthakon served as Thai ambassador to the United States, Mr Danai served there as second secretary. In 1969 Mr Bunchana was appointed minister of economics, and Mr Danai served as his secretary. Later, he served as secretary of the Department of Foreign Trade. He then

served as assistant commercial attache in Singapore. In 1974 he was made an advisor to the department. Two years later, he was appointed deputy director-general of the Department of Foreign Trade in place of Mr Chumphon Thamchari (a former minister and deputy under secretary who has replaced Mr Anan Phucha-um as director-general of the Department of Business Economics). The person who held this position after him was Phot Isarasanano. In October 1981, Mr Danai was appointed deputy under secretary. He then became director-general of the Economic Department, Ministry of Foreign Affairs.

He is married to MR Thippawadi Kasemsan. They met and fell in love when both were working at the Shell Company. She told him that the only thing she wanted was for her husband to serve as a government official. He agreed to that readily, because he was deeply in love. And so he returned to government service. They were married on 16 January 1964. They have one son, Suphanat, age 14, who is in Australia, and one daughter, Phatrawali, who is a few years younger than her brother. She attends Mater Dei School.

Believe it or not, but this director-general once won the bantamweight boxing title in England during the period that he attended the university there. He also played on the Royal Bangkok rugby team. He played on the Team Sport Club for 2 years. Thus, he is an all-round athlete. He listens to the opinions of others and says what he thinks. He likes to smoke a pipe while working but prefers cigarettes when he is at a meeting. He likes to dress well and wear clothes that make him look trim and fit. He prefers Thai food such as preserved fish and shrimp paste. He does not like bland foods. Instead, he prefers very spicy foods.

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CSO: 4207/88

DEPUTY AIR FORCE COMMANDER PROFILED

Bangkok DAILY NEWS in Thai 15 Dec 86 p 5

[DAILY NEWS Square column by Nanthana: "Air Chief Marshal Prathip Koetnawi, the New Deputy RTAF CINC"]

[Text] The new deputy RTAF CINC is Air Chief Marshal Prathip Koetnawi. (There are two deputy RTAF CINC positions. The other is held by Air Chief Marshal Woranat Aphichari.) ACM Prathip was born on 29 January 1927. Because he was born before 1 April 1927, he will retire in 1988. He was born in Sanao District, Ayuthaya District. He is the eldest of the two children of Mr Pa and Mrs Bua Koetnawi.

ACM Prathip completed primary school at the Chao Chetnok primary school. He attended secondary school at the Wat Benchamanophit School. After that, he entered the Army Preparatory School as a member of Class 7 and then attended the Chulachomklao Royal Military Academy, Class 7. After graduating from the academy, he attended the Flight Training School. He was then awarded a scholarship to take the Allied Officer Familiarization course, Air command and Staff College, Special Air Operations, in the United States. In 1959 he took the Operations Staff Officer course in Okinawa, Japan. After returning to Thailand, he served in various units and then attended the Air Command and Staff College as a member of Class 5. He also attended the Air War College as a member of Class 8 and the National Defense College as a member of Class 23.

He graduated from the Chulachomklao Royal Military Academy as an acting sublieutenant in 1949. After graduating from the Flight Training School, he served as a pilot with the 1st Wing. Following that, he served as a squadron leader with the 1st Wing. In 1970, he was appointed deputy attache at the Thai embassy in Saigon and acting deputy air force attache at the Thai embassy in Vientiane.

After returning to Thailand, he was appointed deputy director of operations control in 1979. He was promoted to air vice marshal two years later. And in 1983 he was promoted to air marshal and appointed director of operations control. On 1 October 1986 he was promoted to air chief marshal and appointed deputy RTAF CINC.

The thing that he is most proud of is serving in the Royal Thai Air Force. He declined to say what his greatest disappointment has been. He did say that his hobbies are growing flowers and playing golf.

He is married to Prani Pridi. They have three sons and one daughter. They lead a very simple life and are very informal. He is very open and frank with everyone.

He will not retire for 2 more years and so he still has time to advance in the military. There is no reason to worry about our air force modernizing and keeping up with the air forces in other countries. This is because he is one of our talented officers, and he does not interfere in politics.

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CSO: 4207/88

NEW NAVY CHIEF OF STAFF PROFILED

Bangkok DAILY NEWS in Thai 15 Dec 86 p 5

[DAILY NEWS Square column by Nanthana: "Admiral Komut Kamonnawin, the New Navy Chief of Staff"]

[Text] Admiral Komut Kamonnawin, the navy chief of staff, was born on 10 October 1928. Because he was born after September, he will not retire until 1989. His father, Vice Admiral Phraya Ratchawantsan (Si Kamonnawin) was among the first group of Thai naval officers to complete the new naval course. His mother is Lady Wichit Ratchawangsan. He was born into a navy family and has many relatives in the navy.

He attended Saint Gabriel School, where he graduated from lower secondary school. He then transferred to Amnuaisin School, where he completed upper secondary school. He then entered the Naval Officers College, earning his commission as a sublieutenant in 1951. Later, he attended the Navy Command and General Staff College. He also took several courses abroad. For example, he studied naval tactics in the United States and naval science in France and Denmark.

After graduating from the Naval Officers College, he served as the commander of various naval vessels such as the Surasot and the Rattanakosin. He was also involved with combat and staff units and so he has much knowledge about military tactics and psychology.

He also served as the assistant naval attache in Paris, France, a slot for a senior captain. At the same time, he served as acting assistant naval attache in Madrid, Spain, and in Bonn, West Germany. After returning to Thailand, he was promoted to rear admiral and appointed director of naval operations, a position he held from 1980 to 1984. After that he was made assistant navy chief of staff for operations. And in October 1986 he was appointed navy chief of staff.

He is married to Chanida Tulayarak, who is the daughter of Police Maj Gen Sanit Tulayarak and Mrs Chanthit. They have three children. The eldest, Komet, earned his master's degree from George Washington University in the United States. Their middle child, Kairop, is studying engineering at Chulalongkorn University. The youngest, Kamonthida, is studying literature at Chulalongkorn University.

After he finishes work each day, he likes to go home and work around the house or read. He is a very handsome man who is devoted to his family. This is evident from the fact that he rarely attends parties. He enjoys being with his family much more than going out. Going to restaurants is expensive, and the atmosphere is not as nice as at home.

He will not retire until 1989 and so he will probably play an important role in the Thai navy.

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CSO: 4207/88

MARINE POLICE CHIEF PROFILED

Bangkok DAILY NEWS in Thai 1 Dec 86 p 5

[DAILY NEWS Square column by Nanthana: "Police Maj Gen Thrachai Riancharoen, the New Marine Police Commander"]

[Text] Today, DAILY NEWS Square would like to introduce a talented marine police officer. He has held several important positions and is loyal to his friends. Now, he has replaced Police Maj Gen Prasoet Khunasi as commander of the Marine Police Division.

Police Maj Gen Tirachai Riancharoen was born on 8 February 1935 in Muang District, Chachoengsao Province. He is the eldest of the six children of Mr Bunthung and Mrs Bunkoet Riancharoen. He is married to Mrs Prakairat Saomayon, who works at the Department of Health. They have two sons and two daughters.

He attended primary school at Wat Sampathawon School and lower secondary school at Benchamatrangsarut School in Chachoengsao Province. He attended upper secondary school at Amnuaisin School in Bangkok. He graduated from the Military Academy as a member of Class 14 and the Samphran Police Academy as a member of Class 12. Fellow classmates included Police Maj Gen Bancha Netinan, Police Maj Gen Nikhom Tantarik, and Maj Gen Thirawat Emmasuwan. He took the senior police administration course as a member of Class 3.

He entered government service on 1 April 1959 as the deputy inspector for investigation at the Khanhaiyao Police Station. After that, he served as the deputy inspector for investigation in various localities. That is, in 1960 he was stationed at the Bang Su Police Station, and in 1966 he was stationed at the Chakrawandi Police Station. In 1969 he was appointed inspector for investigation at the Samsen Police Station. In 1972 he served as the inspector for investigation at the Chanasongkhram Police station, and in 1975 he was made chief inspector at this police station. Following that, he was appointed deputy superintendent of Precinct 2, Northern Bangkok Metropolitan Police. In 1981 he served as superintendent of Precinct 6, Suppression Division. One year later, he was made superintendent of Precinct 1, Marine Police Division. He was appointed superintendent for investigation and special operations in 1983. He was appointed deputy commander of the Marine Police Division in 1984. And in 1986 he was promoted to commander of the Marine Police Division.

As for special duties, he served as a police aide to the king. He also underwent additional training at the Detectives College in the United States and observed police activities in Italy, England, and France.

He is proud of the role that he played in helping to control the situation during the period October 1973 to 1976, which was a period of student unrest. At that time, he was the inspector for investigation and for suppression at the Chanasongkhram Police Station. In carrying out his duties, he held to the principle, "make any sacrifice, but don't lose morale."

The Marine Police Division has its headquarters in Muang District, Samut Prakan Province. It has a strength of more than 2,300 men and a total of 180 patrol boats. Its powers and duties are stipulated in the Criminal Code, the Law on Marine Police Powers, and other laws on criminal violations that occur in Thai territorial waters, at ports, and along the coast. It is responsible for the border formed by the Mekong River and for Thai waters in the Gulf of Thailand and the Andaman Sea. It has six precincts. These are located at the Khlong Toei Port and in Si Ratcha District in Chonburi Province, Surat Thani Province, Songkhla Province, Phuket Province, and Nong Khai Province.

In addition to its main duties, the Marine Police Division also provides protection to Thai fishing boats and other boats that travel on the rivers and seas. He has asked fishermen to restrict their fishing activities to Thai territorial waters and not violate the territorial waters of other countries. Because today, officials in neighboring countries are taking resolute action against Thai fishing boats. For example, they are seizing boats and firing on boats. People have been killed or wounded. The Marine Police Division is aware of this and is doing everything it can to provide protection.

In 1987, which has been designated the Year of Tourism, the Marine Police Division will provide special support by stationing officials and patrol boats at various locations in order to facilitate things and help protect boats and tourists.

This officer has a bright future, because he has many years left before he retires.

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## THAILAND

### BRIEFS

CRMA CLASS 20 PROFILED--Two years ago, M.C. Hotline advised people to keep an eye on CRMA [Chulachomklao Royal Military Academy] Class 20. Although few people paid much attention to this class, we said that it could suddenly come to the forefront, as was reported in "Chak Phanthai. There were indications that CRMA Class 20 would jump ahead of Classes 16 and 17. At that time, many members of CRMA Class 20 were serving as deputy battalion commanders. In the 4th Army Region in particular, CRMA Class 20 had taken over "all the battalions" as deputy battalion commanders. This year, after the reshuffle of special colonels, there was a reshuffle of colonels and lieutenant colonels. In this reshuffle, many members of CRMA Class 20 were appointed battalion commanders, which is considered to be a very important position. In fact, 70 percent were from this class. Looking even closer at CRMA Class 20, IAK THAI once reported that Lt Col Suraphan Phumkao, the commander of the 1st King's Guard AAA Battalion and the president of this class, is very close to Gen Prem. It was Gen Prem who gave him the nickname Bai [Dumb], because he is really just the opposite. Another person is Lt Col Wichit Yathip, the head of the security unit assigned to Gen Chawalit Yongchaiyut. Big Chiu has great trust in him. Thus, CRMA Class 20 has the trust of two key figures. Also, Big George, Gen Sunthon Khongsomphong, has great confidence in members of Class 20. [Text] [Bangkok IAK THAI in Thai 11 Dec 86 p 16] 11943

CSO: 4207/91

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

DK TROOPS IN THAILAND DESCRIBE CONDITIONS, FIGHTING

Bangkok KHAO PHUSET in Thai 15-21 Dec 86 pp 54, 55

[Unattributed report: "A Glimpse into the Lives of "Pot" Soldiers"]

[Text] I recently read an article entitled "Khao I-dang Center To Be Closed by End of Year," in CHAI DAEN, a local paper published in Aranyaprathet. Summarized, the article said that the 20,000 Cambodian refugees at the well-known Khao I-dang center must be sent to third countries as quickly as possible. Those remaining at the end of the year will be sent to the Thai-Cambodian border.

The reaction by this local newspaper was clearly expressed in an editorial: "Reports that the Khao I-dang refugee center will be closed have pleased many groups, particularly the villagers. Ever since Cambodians began coming and settling down along the border, many laws and regulations have been promulgated, which has been very oppressive for the Thai who live near the border. It has been much more difficult for people to earn a living. In short, border society has declined both materially and spiritually."

This made me think of a group of soldiers whom I met near the border in southern Ubon Ratchathani. I don't have any opinion on this. All I want to do is present the reactions of various people and provide a picture of the real situation. The people who live along the border know what the problems are.

If you travel along the strategic Nam Yun-Buntharik route, on the right you will see a long mountain range covered by dense jungle running along the Thai-Lao-Cambodian border. But now, no one dares go camping there. "You might be shot at and never know who shot at you." This was a warning, not a threat. During the time that I was there, I was constantly afraid of being shot.

"Pot soldiers" are often accused of being assassins. Many villagers have stepped on mines, and some people have been shot and killed in the jungle. If you ask who is responsible, you will get an answer that can't be confirmed. Many will say that it is the "Pot soldiers who are responsible."

Who are the "Pot soldiers?" I seemed doubtful and so a villager told me that this refers to Pol Pot, or Khmer Rouge, soldiers. When I expressed an interest in meeting some Pot soldiers, the villagers who knew the way shook their heads

in fear. I don't know why they were so afraid of these people. They were perfectly willing to take me to meet members of Son Sann's group. And we were safe. Actually, of the three groups in the Khmer coalition, Thai villagers have a very negative image of the Khmer Rouge. However, I continued to look for a way to meet and talk with these people.

Finally, late one morning I had a chance to meet unofficially with a group of Pot soldiers. I was glad to have a chance to chat with them informally without having to worry about political policy or anything like that. They had no idea that I and several others were going to come that day.

We waited for them for awhile and then saw a Pot soldier suddenly step out from behind a bush, which startled me. He looked quite young, and his complexion was very different from the Cambodians I had seen in Surin. He could speak some Lao and so we knew that he was the sentry guarding the path to their base. He asked to look inside our packs, and our guide let him look. He found a bar of soap called "Khing Soap" and asked to buy it. Our expert in this field tried to explain that this was one of the goods that had been ordered. He said that he couldn't sell it, because the person who had ordered it would be upset. But the young soldier insisted on getting that soap, saying that he was going to leave soon on operations in the plains and that he would not be returning for several months. They continued bargaining like this for awhile. Finally, the young soldier accepted the explanation of this man and, accepting some tobacco from us, led us to his camp.

"These people respect honesty. If I had been forced to sell him the soap and it was missing, they would criticize me for being dishonest. That could cause problems. These are good people. All they ask is that you treat them fairly," said our guide.

Shortly after that, five armed Pot soldiers wearing green uniforms came to meet us. They looked me over and then shook hands. After that, they began talking with our guide about the goods that they had ordered. He poured the items onto the ground. These included thread, needles, tobacco, and several bars of soap (and facial cream, too). He unfolded a small piece of paper and then arranged the goods neatly. The soldiers took their goods and packed them in their field packs. After that, it was their turn to sell various items: green shirts at 30 baht apiece, hammocks at 80 baht per hammock, shoes at 25 baht per pair, and green hats at 10 baht per hat. Those were the prices that we paid to help them. This money was then given to the guide to purchase goods for them at the market. Do you see? The money doesn't go anywhere. There was one item that I had to ask about, that is gunny bags. I asked the guide whether they made the gunny bags themselves. He replied that these were rice bags. When they have used up the rice, they exchange the bags for tobacco, with each bag fetching two packs of tobacco (which costs 2 baht per pack). That answered my question.

After the buying and selling had been completed, we had some time to chat with them. We had a lot of trouble trying to understand each other because of the language barrier. Even though they spoke Lao, they did not speak it very well. But even so, we learned that they are more fortunate than others. Because they can speak Lao, they have a chance to contact Thai. They said that they

have enough dried foodstuffs. But there are shortages of various items, including tobacco. I observed that their situation is much different from that of Son Sann's troops. Because from what I have seen, Son Sann's troops trade openly with Thai.

I asked about their native villages. A young man whose hair style was different from that of the others told me that his village was located near the Tonle Sap near Phnom Penh. He had been away for 3 years. He said that he is looking forward to moving down into plains to fight near his village. Because then he will have a chance to see his relatives, and there is more food available than in the rear here. When I asked how long they would be operating in the plains, he said about 6 months.

I would like to expand somewhat on their phrase "moving down into the plains." Along the Thai-Lao-Cambodian border, from southern Ubon Ratchathani, the Dongrak mountain range extends on to Sisaket Province. On the Thai side of the border, there are high mountains and steep cliffs. But on the Cambodian side, there is a plain. Thus, there are many mountain passes leading into Cambodia in this area. Two well-known passes are the Bok and An Man passes in Nam Yun District, Ubon Ratchathani Province. In Sisaket, there is the Phra Malai pass. It is said that there are up to 26 passes, including those in Sisaket.

But let's return to what the Pot soldiers had to say. I asked them what they do while there are in this area. They said that they do very little during the rainy season. But during the dry season, they have to resist the suppression operations of the Vietnamese-Heng Samrin forces. Usually, the forces stationed in the mountains try to avoid clashes. They said that when combat units such as their unit move down into the plains, they do so to fight. But the logistics units come and go all the time, including during the rainy season.

Villagers often see the women and children of the Pot soldiers diving for shellfish or fishing in the streams near the village fields. Sometimes they come and ask for bananas and papayas to eat. At the same time, some Thai villagers buy rice from them. And so there is a saying that those people work rice fields. But few Thai villagers understand their way of life.

Before we parted, they warned us to hide the clothes and shoes carefully. Otherwise, if "Thai bosses" see this, they might report the matter to their "leaders" and they might be questioned. One of our group invited them to visit the town. They expressed interest but said that they didn't dare. When I asked if they would like to take a picture, one of them showed great enthusiasm for having his picture taken. But a moment later he asked if we could take the picture the next time, because he wanted to find some new clothes before taking the picture. I wondered about that and so I asked why he didn't want to take a picture in the uniform he was wearing. He said that he wanted to send the picture to his mother. If he took a picture in his military uniform and the Vietnamese saw it, his relatives would all be killed. I was speechless for a moment and then said that I would take their pictures the next time free of charge.

I can't describe the feeling that I had when we parted that day. I turned and looked at the Dongrak mountains and again saw the immensity of these mountains. If the mountains could talk, they would probably say that they exist in order to prevent the extinction of the Cambodian people.

Several days later, the Dongrak mountains were filled with the sound of gunfire and explosions. The suppression season is here again.

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CSO: 4207/98

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

SITE TWO REFUGEES CAUGHT IN ATTEMPT TO FLEE

Bangkok DAILY NEWS in Thai 9 Dec 86 pp 1, 2

[Article: "Counterfeit Passports Seized, Cambodians Flee, Hope To Go Abroad"]

[Excerpt] At 1530 hours on 8 December Police Major General Wanit Kulama, the commander of immigration, informed reporters that he had learned from investigations that there had been a group which had planned to take several Cambodians (Cambodian emigrants) out of Thailand in order that they might ask for asylum in France. This group counterfeited Singapore passports in order to help get them out. Therefore there were orders to every shift of immigration officials to arrest them.

At 2125 hours on 7 December Police Lieutenant General Kittti Sathananon, S.W. aircraft inspector, and Police Captain Prasan Thongsawadi, on duty with the group handling departures, discovered that they had 14 foreigners with Cambodian citizenship of Chinese nationality (Cambodian emigrants) from the Site Two refugee center next to the Thai border. They were traveling abroad and Mr Yip Sunli, 37, a citizen of Singapore of Chinese nationality, was their leader. When the departure time arrived, Mr Yip Sunli brought the 14 Cambodians to the immigration area. The officials discovered that their Singapore passports were counterfeit and detained Mr Yip Sunli.

The investigation of the Cambodians resulted in confessions that they were foreigners of Cambodian citizenship and Chinese nationality. They had emigrated from Cambodia and stayed at the Site Two refugee center for 2 days in order to escape the pursuing Cambodian soldiers. They then fled to the Khao-idang refugee center in Prachinburi Province. They stayed there many days until relatives who had fled to France got in touch with and informed them that if they wanted to go to France they should get in touch with Mr Yip Sunli, and he came to the Khao-idang refugee center. This group wanted to travel abroad in order to be with relatives, and so they informed him that they wanted to order passports and would pay a broker's fee of 13,000 baht per person. After the passports were ready, Mr Yip Sunli brought the group to the Don Muang Airport for departure.

Mr Yip Sunli testified that he had been hired by a Thai named Mr Wichai. He did not know his last name. This person was 40 and was from Prachinburi Province. This person had him accompany all 14 Cambodians on the trip to

France because none of them spoke English. He received a payment of U.S.\$500 per person. Mr Yip Sunli denied that he had made the counterfeit passports and said that he did not know where they came from. So Mr Yip Sunli was detained together with the 14 Cambodians. They were handed over to investigators of Department Two of the Fourth Supervisory Division for Immigration, which was to proceed over the case, the charge being counterfeiting documents and using counterfeit documents.

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